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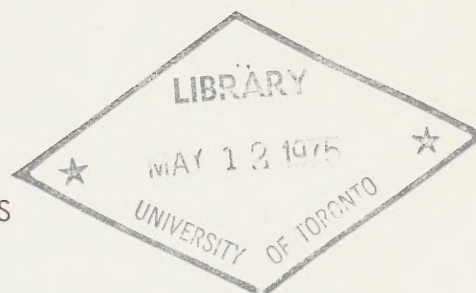
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[Statements and speeches]*

THE FEDERAL ROLE IN TELECOMMUNICATIONS: BEYOND THE GREEN PAPER

A SPEECH BY
GERARD PELLETIER
MINISTER OF COMMUNICATIONS
TO THE
CANADIAN ASSOCIATION OF BROADCASTERS



QUEBEC CITY

APRIL 28, 1975



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A sense of timing is considered important for musicians and athletes but, I suppose, rarely thought of as particularly relevant for Ministers of the Crown. Nevertheless, I am sure you would agree that my own sense of timing would be somewhat out of kilter were I not to afford myself the excellent opportunity that this occasion provides to speak for a few moments about the paper that I tabled in the House of Commons a few days ago. In fact, this is the first chance I have had to speak at length about this important paper since it was tabled -- although I did not realize it would turn out this way when I accepted the invitation to speak to the association.

I am what I suppose some would label a Darwinist when it comes to the field of communications. I believe that the process of legislative change is an evolutionary one. This will be upsetting, I imagine, for any fundamentalists in the crowd who feel that new communications legislation should not take more than a few months at most, especially if it required a mere six days to get us all here in the first place.

It is not that I cannot and do not want to sympathize with those who say: "let's get on with it." We are all faced with the same pressures. New communications technology continues to develop at breakneck speeds. Its introduction continues to have enormous and difficult-to-assess impacts on our people. Essentially, the paper tabled in the House of Commons last week attempts to come to grips with the tremendous changes taking place in the communications field, and sets out legislative proposals consistent

with today's needs.

Consider for a moment the pace of change in broadcasting alone. Thirty years ago, television was still an experimental phenomenon, attracting crowds at world fairs and exhibitions. Today, it is installed in almost every household in Canada, and has become a permanent and influential feature of Canadian life. Twenty years ago, the only way a truly national television service could be provided was through the use of aircraft, shuttling films and videotape from station to station. Now, the process is instantaneous thanks to coaxial cable and microwave systems in the south, and the Telesat Canada earth stations dotting the northern landscape. A few years ago, most Canadians were offered the choice of one, two or perhaps three television channels. Now CATV subscribers in major centres are being offered, through converter service, an incredible number of viewing alternatives.

The technology we can see, and anticipate. The effects of this technology on the economic, social and cultural life of Canada are perhaps more difficult to predict. At the same time, Canadians are increasing their dependency on communications systems. From being the luxuries they once were, communications have become an inextricable part of Canadian life.

But I feel strongly that we should not be content to merely anticipate technology, to adapt to its changes as well as we can and hope to come up with the right judgements about its effects. We have the power, if we use it wisely, to use the burgeoning technology of communications as a tool with which we can further some of the fundamental goals we, as Canadians, have set out for ourselves. We have the power, given a spirit of cooperation, to strengthen Canada's unity in diversity.

We have the power, through advancing communications technology, to remove the barriers of isolation and distance that are still a harsh and indomitable factor in the lives of many Canadians.

Satellite service has already changed the face of the North. Vast areas of Canada, previously isolated, are now hooked in to the mainstream of southern communications, through telephone, radio and television. But this should be regarded only as a prologue to other developments. The advent of two-way interactive systems, and the establishment of local and regional production centres will go a long way toward reducing the inherent liabilities of northern life.

The technology of communications can also be used to help satisfy some of the newer demands of Canadian society. The increased emphasis on participatory action, for example, may find expression through the growth of two-way communications systems and greater opportunities for local programming. A belated but growing appreciation for the importance of the quality of life, to take another example, may receive impetus through developing communications systems and techniques.

Other federal objectives include the elimination or reduction of regional disparities and of social or economic inequalities and here as well, communications will play an increasing role.

For a country that relies on its communications systems more than most, our record is impressive. In considering where we go from here, however, the heady promises of the future must be tempered by realism. We are limited, for example, by our financial and economic resources. Because of this, priorities have to be established which reflect what we, as Canadians, want to achieve through our communications systems and services. And technology itself cannot always be regarded as a panacea or an elixir for all of society's shortcomings. Technological innovation in itself does not invariably produce net social benefits, as we all know.

Many important decisions have already been taken in charting our future course. But, I believe we are on the threshold of a new era in communications that will demand many more equally important decisions in the months and years ahead -- decisions in such diverse yet related areas as CATV networking, pay television, and the attachment of accessory equipment to the telephone network, to name just a few. Attention will also have to be given to the future course of financial investment in various modes of transmission, given the growing moves toward integration of services. Potential economic and regulatory problems require continuing attention, such as in the case of irrational intercarrier competition and the possibility of excessive duplication of facilities and services.

I could go on. I am sure the litany is not new to any of you here today. Yet it bears repeating. For out of these developments, out of the concerns these developments bring, and out of the ways in which we could and should be directing these developments, emerges the fundamental basis for the federal government's philosophy in the field of communications.

The cornerstone of the federal position in the communications field is embodied in a series of "common" or as they are sometimes referred to "national" objectives of communications policy. I would hope that every policy, every program and every activity in which we in the federal government are engaged, would respect and remain faithful to these common objectives. Some critics have discredited the importance of these objectives as being overly abstract statements of motherhood. Yet, I am sure you will agree that, to be effective and all-encompassing, they have to be painted with a relatively broad brush. And I hope you will recognize that these common objectives, which I have restated in the position paper tabled last week, will have a very substantial influence on and will be reflected in the policies and decisions of the federal authorities, including those of the CRTC.

The objectives of course are not new. They are a product of evolution and refinement over the last few years. Part 1 of the Broadcasting Act of 1968, for example, embodies some of them as they relate to broadcasting. The report of the Telecommission, "Instant World" of 1971, and the Green Paper "Proposals for a Communications Policy" published in 1973 put forward increasingly refined versions of these objectives. Since then, the government has sought the views of provincial ministers responsible for communications on these objectives. The set of common objectives for communications policy which appears in the first section of the paper tabled last week will be incorporated, in appropriate terms, in the new comprehensive communications legislation currently in the planning stage. This is one instance in which the process of evolution has been most

helpful, and indeed necessary. And I hope that the provinces will focus their attention on these essential elements of national policy, when I meet with them in two weeks' time.

Because I place such importance on communications objectives, and because they become the root for the legislative and administrative proposals of the recently-tabled paper, I feel it is worthwhile reviewing them briefly here:

First, communications systems and services should be reliable, efficient and economical in all parts of the country, taking full account of regional and provincial needs and priorities.

Second, communications systems and services should be designed to preserve and strengthen the economic, social, cultural and political fabric of Canada.

Third, communications systems and services in Canada should be Canadian owned and/or regulated. At the same time, there should be a strengthening of Canadian industry both in research and manufacture of telecommunications equipment and in the provision of computer/communications services and facilities.

Fourth, Canadians should have access to as wide a choice of information and entertainment as possible, in both official languages, and Canadian sources of creativity and information should be emphasized.

We in the federal government believe that these objectives reflect a common concern of Canadians no matter where they live. We also believe that the responsibility for working toward their achievement should be shared by all public authorities in Canada. If we accept this proposition, we must also accept the next: In order for these objectives to be achieved throughout Canada, and in order that all Canadians may benefit from their pursuit, there must be a natural and wide role for the federal government and there must be cooperation between the federal and provincial governments.

The achievement of these objectives requires a strong federal role, since they call for measures applicable to all Canadians, whether they live in Cape Breton, Toronto or Frobisher. As the paper states, the national dimension of telecommunications in Canada is more than the sum of facilities in 10 provinces. A strong federal role, however, does not imply a centralization of institutions, nor does it call for a uniform set of rules and regulations conceived in Ottawa. On the contrary. The structures and the processes of telecommunications must be balanced, in order to allow for regional diversities and provincial priorities. For these, too, are essential parts of the reality of Canada, which must be respected.

The need for a strong federal role to ensure that the common objectives are pursued, tempered with the genuine need for regions and provinces to reflect their own priorities as they define them, are the two ends of the see-saw. The ways in which we can effectively balance the one with the other, should form the heart of the federal-provincial discussions. They already lie at the heart of the proposed arrangements for cooperation and collaboration with the provinces, and at the heart of the proposals for new communications legislation, as we have outlined them in the recent paper.

Some may feel that a balance between the two cannot be achieved: that the quest for common or national objectives and expressions of regional and provincial diversity are incompatible. I do not subscribe to that view at all. If I did, I would not be here before you today, talking about this particular subject. But I do know that harmony will not be achieved without a certain spirit of compromise, a certain resiliency on the part of all concerned.

In the recently-tabled paper, we have outlined ways in which cooperation with the provinces can be enhanced, and ways in which greater harmony in regulating the various communications enterprises across Canada can be achieved.

And while we hope that the provinces will react positively to these proposals, I am also very aware that there is a point beyond which the federal government must not go. It would be a sheer neglect of our national responsibilities, for example, if the federal government were to contemplate any substantial reduction of federal jurisdiction in such vital areas as broadcasting and community antenna television. The federal government is not interested in jurisdiction for its own sake but recognizes that, through jurisdiction, it is able to fulfil its responsibilities to the Canadian public.

This, then, is the point to which we have come on the eve of the second federal-provincial meeting of ministers responsible for communications. Again, for the benefit of those who are skeptical of the evolutionary approach to legislative change, may I say that we have come a long way in the past seven years since the enactment of the Broadcasting Act in 1968, and the establishment of the CRTC.

In the intervening years we have seen the creation of the Department of Communications and Telesat Canada. These institutional developments have been complemented by a series of major initiatives including the publication of over forty reports undertaken for the Telecommission, two green papers, a task force report on computer/communications and another on computers and privacy, many additional studies on matters related to broadcasting, a survey of the telecommunications carriers and their suppliers, and most recently the paper "Communications: Some federal proposals" and Bill C-58 which, by amending sections of the Income Tax, will benefit Canadian broadcasters. Now we are ready for an early introduction of new communications legislation. The result of this evolutionary march, like

the best of Darwin's species, should be a new body of federal laws ideally suited and adapted to the communications environment of today.

A point that I would like to stress is that this evolution has not been carried out in isolation from the people and the organizations the government serves. On the contrary, I and my officials place a great deal of stock in the consultative process. In the jargon of theoretical communications, governments, like the people who comprise them, invariably find the feedback process to be of great value.

A strong belief in the value of consultation has extended to and become a major feature of the federal government's relations with its provincial counterparts. I believe that the federal government has demonstrated abundant evidence of good will by its willingness to discuss matters of mutual concern, and by its willingness to recognize the legitimacy of many provincial interests and concerns. The value of consultation increases with realization that it is only through open and frank discussion with the provinces that we are alerted to the very real need to find solutions to local, provincial and regional concerns, at the same time as we draft and implement a national communications policy.

The proposals, as set forth in the recent paper, clearly show that we are not blind to the concrete advantages of calling for provincial initiatives in support of national policies.

Furthermore, I have repeatedly affirmed, in talks with my provincial colleagues, that any reasonable proposals for a stronger provincial role in communications will be very seriously considered as long as these changes do not imply or call for a change in jurisdiction, and as long as the proposals are in keeping with the common objectives of communications policy. This still applies.

As a result of the first federal-provincial conference of Ministers responsible for communications held in November 1973, and as a result of a series of meetings I held with individual provincial ministers, it is evident that most of the provinces would particularly favour an increased role in the shaping of federal regulatory policy. This I find to be a perfectly desirable and reasonable goal to pursue, given the nature of our political system, the realities of regional diversity, and the priorities of the provinces.

On three separate occasions, I have put forward proposals which would grant more direct provincial involvement in federal communications matters. These have included both practicable administrative arrangements as well as mechanisms for achieving greater federal-provincial cooperation.

While the administrative arrangements would require new legislation, some of the consultative mechanisms can be introduced without a revision of statutes. The provinces have not yet reacted positively to these proposals, but I look forward to some progress here at the forthcoming meeting with my colleagues.

The paper tabled in the House a few days ago, I believe, reaffirms our desire to accommodate the needs of the provinces with the national concerns of the federal government. In it, the reader will find proposals for achieving greater cooperation with the provinces as well as proposals for new legislation, a principal objective of which is also to provide for more collaboration with the provinces. A key proposal sees the creation of a committee of communications Ministers, which would exchange views, call for studies, and provide for coordination on many matters of mutual concern.

What are the major features of the paper's legislative proposals? In terms of new legislation, the paper calls for its introduction in two stages. As you know, the first stage, calling for the amalgamation of the Canadian Radio-Television Commission and the Telecommunications Committee of the Canadian Transport Commission is already through the House of Commons. The marriage of these two regulatory bodies is basically a wedding of convenience for it makes good administrative sense to include the functions of the two bodies under one roof. The new consolidated body, to be known as the Canadian Radio-television and Telecommunications Commission represents the last step in the process of amalgamating the federal government's functions in the telecommunications field -- a process that began with the creation of the department in 1969. For me, it has always been an anomaly for the Canadian

Transport Commission to be responsible for the regulation of telecommunications carriers.

With the passage of Bill C-5, the legislation creating the new commission, there will be greater consistency in federal regulation over all forms of federally-regulated systems -- an important consideration in the light of the growing signs of integration in the telecommunications and broadcasting systems. At the same time, we are conscious of the need for the new federal regulatory body to focus more effectively on such things as the social and economic ramifications of rate increases and the need for integrated planning for extended services. I might add that these changes in no way imply any subordination of the cultural aspects of broadcasting, which have been defended and developed so admirably by the CRTC. Phase one legislation calls for no change of powers. But the very fact that the same people -- the federal commissioners -- will be able to observe at first hand the interrelationship of broadcasting and common carrier decisions, particularly as they overlap in the development of coaxial-cable systems, will be a tremendous advantage.

Incidentally, for those of you who have been struggling with the Fahrenheit-Celsius conversion during the past month, you will be pleased to know that the new federal commission will require no conversion whatsoever. It will still be known by the familiar initials: CRTC.

Phase two of our intended legislation goes a lot further. Here, we will see the full-scale consolidation and partial revision of existing statutes -- including the Broadcasting Act. The result should be a comprehensive body of federal law on communications, closely in tune with the realities of present-day communications. I would hope that these changes would not raise any fears in the audience here or with the public; for the objectives of the

current Broadcasting Act will in no way be compromised. On the contrary. The government's concern for the health of the broadcasting system in Canada has never been stronger. A principal aim of the new legislation will be to ensure that it remains in good health, to foster its future development, and to enhance the quality of Canadian programming.

In order that the development of communications policy, and I emphasize the word "policy", is more clearly under the control of elected representatives, the new legislation will give the government the power to issue formal directions to the federal commission on the interpretation of statutory objectives. This particular proposal will be of interest to you as members of the Canadian Association of Broadcasters and to the provinces who have expressed concern over the government's role in policy development.

One thing must be emphasized, however. Under no circumstances will the content of broadcast programming be subject to political direction or interference, and this stricture will be clearly specified in the revised Broadcasting Act.

Other legislative proposals would open the door to more effective collaboration with the provinces. Indeed, one of the chief objectives of the federal proposals will be to provide for means by which the provinces will be able to share in many of the decisions affecting communications in Canada. For example, the new legislation would allow each province to have a say in the appointment of one part-time member of the new regulatory commission.

These part-time members -- 10 in all -- would have exactly the same powers and responsibilities that the part-time members of the CRTC now have under the current Broadcasting Act and would participate in the commission's public hearings and private deliberations.

There are other features of the proposals, as well, which would give provinces an increased share in federal decision making processes. For example, representatives of the regulatory bodies of Quebec and Ontario would be entitled to participate in the proceedings of the federal commission before decisions are made on matters relating to Bell Canada. This is provided for in light of the unique position of Ontario and Quebec, in that the major common carrier operating in these provinces is federally regulated, since it operates in more than one province. The situation in British Columbia and Newfoundland is similar, but in these cases, the government is engaged in bilateral discussions on future arrangements for the respective regulation of the British Columbia Telephone Company and the telephone services of Canadian National Telecommunications operating in Newfoundland.

In addition, the federal commission would be empowered to consult a provincial regulatory body in advance of a rate hearing that could have important implications for the system in that province.

As I mentioned a few minutes ago, broadcasting will continue to come under the exclusive authority of the Parliament of Canada, and be regulated by the new CRTC. But even here, a new provision of the legislation would enable the government to call for federal-provincial discussions thus giving effect to the concerns of provinces in broadcasting coverage and service before major broadcasting decisions are made.

The subject of cable television regulation has also been of significant concern to the provinces, and again, the proposed legislation would give the provinces a greater participatory role in CATV licencing decisions. Although the federal government views CATV as an essential element in the structure of Canadian broadcasting, and thus under federal control, phase two legislation would allow representatives of appropriate provincial regulatory bodies to take part in the public hearings and private discussions of the federal regulatory body, before community antenna licencing decisions are taken.

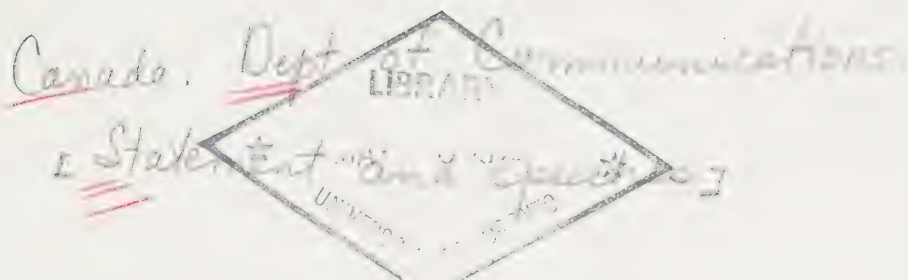
I will resist the urge to catalogue all of the legislative proposals. Those of you who wish to pursue them further, would probably want to consult the paper itself. But I think you will agree that a common thread runs through the basis of these proposals. While the federal government must remain responsible to the common objectives of communications policy, it is eager to find ways of accommodating regional and provincial concerns.

Some may feel that the proposals reflect an obsession with structures rather than with substance. But I cannot share that view. Each proposal is a reflection of what we are trying to accomplish through the common objectives. At the same time, however, we feel structures must be built and must be built with the flexibility and resilience that allow for as much continuing consultation -- both formal and informal -- as possible. And this is what we have tried to achieve with these proposals. I feel strongly that the enactment of phase two legislation will establish the necessary sound framework within which policies can be effectively made and implemented.

I am of course looking forward to a favorable reaction from the provinces to this paper. But at the same time, I feel that time is running out and that to continue to delay indefinitely passage of badly-needed legislation would be unwise.

As I said at the outset, I believe in the process of evolution, of consultation. But the evolutionary process must eventually bring forth new organisms. We can no longer afford to allow the pace of technological change to surpass the government's ability to deal with it. We cannot linger for ever in hopes of achieving the ultimate compromise. Whatever the result of the forthcoming federal-provincial meeting, I will continue to vigorously pursue consultation, and remain willing at any time to meet with provincial ministers on mutual matters of concern. However, it is now apparent that the federal government should act soon to complete the job of updating its own communications legislation. Not to do so would indicate a failure to meet the challenge of today's communications. I would hope, if all goes well, that a new bill would be introduced in the House within a few months.

In closing I would want to make clear that I anticipate and would invite the reaction of your association, and of you as individuals, to the federal position and its set of legislative proposals. The world of communications is an exciting and challenging one, and the need for participation by all sectors is paramount. The formula we have drafted is an attempt to meet these challenges in the most practical way and to ensure that Canadians, everywhere, will have the best communications system possible.



AU-DELA DU LIVRE VERT

LE RÔLE DU GOUVERNEMENT FÉDÉRAL
DANS LE DOMAINE DES TÉLÉCOMMUNICATIONS

NOTES POUR UNE ALLOCUTION
DE L'HONORABLE GERARD PELLETIER
MINISTRE DES COMMUNICATIONS
PRONONCÉE AU 49^{ième} CONGRÈS ANNUEL
DE L'ASSOCIATION CANADIENNE DES RADIODIFFUSEURS
À QUÉBEC
LE LUNDI 28 AVRIL 1975



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On exige de l'athlète et du musicien qu'ils fassent preuve de synchronisme. Il en va de même dans le métier de ministre. Et je serais doué d'un piètre sens du "timing", vous en conviendrez, si je ne profitais pas de l'occasion en or qui m'est aujourd'hui offerte, de traiter plus à fond du document que je viens de déposer à la Chambre des communes. De fait, bien que la chose n'ait pas été préméditée, puisque je n'en savais rien au moment où j'ai accepté votre invitation, vous êtes le premier groupe avec qui j'ai la chance de pouvoir m'entretenir plus en profondeur de cet important document. J'espère que vous ne serez pas trop déçus de cette primeur.

En matière de télécommunications, je suis ce qu'on pourrait appeler un évolutionniste. Je crois fermement que le processus de changement de toute législation est soumis aux forces lentes de l'évolution. J'imagine facilement que certains tenants du fixisme s'offusqueront de mes propos, car à les entendre parler, si la création de tout l'univers n'a demandé que six jours d'effort au Créateur, on devrait pouvoir accoucher en quelques mois, d'une nouvelle législation dans le domaine des communications. Mais autant je sympathise avec ces gens lorsqu'ils disent: "Cessons de tergiverser et mettons-nous à l'oeuvre", autant je n'ai aucune tentation de me prendre pour Dieu le Père. Nous sommes tous soumis aux mêmes contraintes, et la sagesse nous commande de ne pas les ignorer.

Nous devons donc faire preuve de patience mais demeurer également conscients que la technologie des communications évolue à un rythme de plus en plus affolant, et que l'adoption des nouvelles inventions qu'elle nous offre, continue d'avoir pour la population de ce pays des conséquences énormes et pratiquement imprévisibles. Voilà pourquoi les plus récentes propositions du gouvernement

fédéral sont à la fois le fruit d'une lente germination, et un pressant appel à conjuguer nos efforts pour éviter d'abandonner notre destin aux forces aveugles du progrès technologique.

Considérons un instant le rythme du changement qui s'est produit dans le seul domaine de la radiodiffusion. Il y a trente ans, la télévision n'en était qu'au stade expérimental. Elle constituait un objet de curiosité qui attirait les foules lors des foires et des expositions. Aujourd'hui, on la retrouve solidement implantée dans presque tous les foyers du Canada, et elle est devenue une partie intégrante et vitale de notre vie nationale. Il y a vingt ans, la seule façon d'assurer un service de télévision à l'échelle du pays, c'était d'avoir recours à l'avion pour transporter d'une station à l'autre films et rubans magnétoscopiques. Aujourd'hui, le processus est instantané, grâce aux réseaux micro-ondes et au câble coaxial qui couvrent le sud du pays, grâce également aux stations terriennes que Télésat Canada a installées un peu partout dans le Grand Nord. Hier encore la plupart des Canadiens devaient se contenter de regarder un, deux, au maximum trois canaux de télévision. A l'heure actuelle, grâce à un simple convertisseur, les abonnés du câble se voient offrir dans les grands centres, un nombre incroyable d'émissions.

Nous pouvons donc voir et même anticiper le progrès technologique, mais il est moins facile d'en prévoir les conséquences pour la vie économique, sociale et culturelle du pays. Et pendant ce temps, les Canadiens s'habituent à dépendre de plus en plus des systèmes de communications. De simple luxe qu'elles étaient hier, les communications sont devenues aujourd'hui une partie

intégrante de la vie au Canada.

Il est donc urgent que nous cessions de nous contenter d'anticiper le progrès technologique et de nous adapter le mieux possible aux bouleversements qu'il entraîne, en espérant tout bas ne pas nous être trompés sur ses effets à moyen et à long termes. Nous avons le pouvoir, si nous faisons preuve de sagesse, d'appriivoiser la technologie des communications, et de la mettre au service des objectifs fondamentaux que nous nous sommes fixés en tant qu'habitants de ce pays. Nous avons le pouvoir, si nous nous ouvrons à la coopération, de consolider au Canada l'unité dans la diversité. Nous avons le pouvoir, le progrès technologique nous l'offre, de faire enfin tomber les barrières de l'isolement et des distances, qui continuent encore de peser lourdement sur le destin d'un grand nombre de Canadiens.

Grâce au satellite, nous avons déjà transformé la physionomie du Grand Nord. De vastes régions du Canada, isolées hier encore, se trouvent aujourd'hui reliées par le téléphone, la radio et la télévision au grand courant de communications qui circulent dans le sud du pays. Mais ce n'est vraiment là qu'un début. L'avènement de systèmes bilatéraux, permettant une véritable interaction, et la mise sur pied de centres de production locaux et régionaux, feront encore davantage pour réduire les difficultés inhérentes à la vie dans le Grand Nord.

La technologie des communications peut également nous servir à répondre à quelques-unes des exigences plus récentes de la société canadienne. On souligne volontiers le besoin d'assurer une participation plus active des

gens. Nous pourrions y arriver en encourageant, non plus seulement dans le Grand Nord mais partout au Canada, le développement de services de communications bilatéraux et en augmentant les possibilités de programmation locale. De même, grâce à l'amélioration de nos systèmes et de nos techniques de communications, nous pourrions aider puissamment à cette prise de conscience, un peu tardive mais de plus en plus répandue, que l'écologie a ses exigences et que la qualité de vie est une valeur irremplaçable.

Un des objectifs fondamentaux du fédéralisme est de provoquer l'élimination ou du moins une réduction très nette des disparités régionales et des inégalités sociales ou économiques. Et là encore, les communications seront appelées à jouer un rôle de plus en plus important.

Parce que le Canada repose dans une très large mesure sur ses systèmes de communications, nous leur avons consacré dans le passé une somme impressionnante d'énergie et d'ingéniosité. Mais au moment de faire le point sur les choix qui s'offrent à nous, il faut nous méfier du chant des sirènes, et pondérer par une bonne dose de réalisme, les promesses sans limite que l'avenir fait miroiter à nos yeux. Nos ressources financières et économiques, pour ne parler que d'elles, ne sont pas sans limite. Nous devons donc nous donner des priorités qui reflètent vraiment les objectifs que nous désirons atteindre, en tant que Canadiens, grâce à nos systèmes et à nos services de communications. Il ne faudrait pas oublier non plus que la technologie n'est en soi ni une panacée, ni un élixir capable de guérir tous les maux de la société. Nous le savons par expérience, le progrès technologique par lui-même n'apporte pas nécessairement

un mieux-être social. Des choix s'imposent donc.

Déjà plusieurs décisions importantes ont été prises pour tracer les voies de l'avenir de ce pays. Mais je crois que nous sommes vraiment au seuil d'une nouvelle époque dans les communications, et cela exigera de notre part, au cours des prochains mois et des prochaines années, beaucoup d'autres décisions tout aussi capitales pour l'avenir du Canada. Je pense aux réponses qu'il nous faudra apporter aux problèmes de la câblodiffusion, de la télévision à péage et de l'interconnexion de certains appareils avec les réseaux téléphoniques. Je pense également aux soins que requerra la planification de nos investissements dans les divers modes de transmission, étant donné la tendance actuelle à l'intégration des divers services. Je pense enfin à la vigilance dont il nous faudra faire preuve, pour empêcher que se développent certains problèmes d'économie et de réglementation, telle une compétition irrationnelle entre sociétés exploitantes, telle encore une duplication excessive des équipements et des services.

Je pourrais continuer sur cette lancée. Et ma litanie ne vous apprendrait sans doute rien de nouveau. Pourtant je crois qu'il vaut la peine de la répéter. Car de ces phénomènes plus ou moins familiers, des inquiétudes qu'ils nous causent, et de la recherche des moyens inédits que nous pouvons et que nous devons trouver pour plier la technologie à nos besoins, émergent en fin de compte les bases essentielles de l'approche fédérale dans le domaine des communications.

Ces fondements de la position du gouvernement fédéral en matière de

communications, nous les avons exprimés sous forme d'une série "d'objectifs communs" appelés aussi "objectifs nationaux". Et j'espère pour ma part, que chaque politique, chaque programme et chaque activité qui engage le gouvernement fédéral, respectera ces objectifs et leur demeurera fidèle. Certains critiques ont tenté de discréditer ces objectifs en affirmant qu'il s'agissait d'énoncés trop abstraits et trop moralisateurs. Vous reconnaîtrez pourtant avec moi, que des principes directeurs doivent, par nature, être brossés à grands traits s'ils veulent réellement être efficaces et englobants. Et j'espère que vous serez à même de constater que ces objectifs communs, dont j'ai réaffirmé la valeur dans le document que je viens de déposer en Chambre, exerceront une influence extrêmement importante sur les politiques et les décisions des autorités fédérales, y compris, bien sûr, celles du C.R.T.C.

Ces objectifs ne sont évidemment pas nouveaux. Ils sont le fruit d'une lente évolution, et nous les avons raffinés au cours des ans. Déjà en 1968, la Loi de la radiodiffusion appliquait certains de ces objectifs au domaine de la radiodiffusion. Et l'ensemble de ces objectifs s'est de plus en plus raffiné avec la parution, en 1971, du rapport de la télécommission intitulé "Univers sans distance", et la publication du livre vert intitulé "Vers une politique nationale de la télécommunication", en 1973.

Depuis ce temps, le gouvernement a soumis ces objectifs à la discussion des ministres provinciaux responsables des communications. Et l'ensemble des objectifs communs que l'on retrouve dans la première partie du document déposé en Chambre, sera incorporé, à quelques variantes près, dans la

nouvelle législation sur les communications que nous sommes actuellement en train de mettre en chantier. Voilà un cas typique où le processus d'évolution se sera avéré non seulement bénéfique, mais encore indispensable. Et j'espère qu'au cours de la conférence fédérale-provinciale qui se tiendra dans deux semaines, les provinces accorderont une juste attention à ces fondements essentiels à l'édification d'une politique canadienne des communications.

Etant donné l'importance que j'attache à ces objectifs, et parce qu'ils sont à la racine des diverses propositions législatives et administratives contenues dans le document auquel je viens de faire allusion, je crois qu'il ne serait pas inutile de nous arrêter un instant pour en faire la revue.

Premièrement, les systèmes et les services de communications doivent être fiables, efficaces et économiques partout au Canada, et ils doivent tenir compte des besoins et des priorités des diverses régions et des diverses provinces du pays.

Deuxièmement, les systèmes et les services de communications doivent être conçus de façon à préserver les structures économiques, sociales et politiques du Canada.

Troisièmement, nous devons faire en sorte que les Canadiens possèdent, ou contrôlent efficacement par les divers organismes de réglementation du pays, tous les systèmes et services de communications au Canada. Nous devons en même temps encourager l'industrie canadienne, et renforcer les entreprises engagées dans la recherche, dans la fabrication du matériel de télécommunications ou dans la fourniture des services et des installations

de téléinformatique.

Quatrièmement, tous les Canadiens devraient avoir accès au choix le plus étendu possible de sources d'information et de divertissement, dans les deux langues officielles du pays. Et nous devons assurer la promotion de nos sources canadiennes dans les domaines de la création et de l'information.

Nous croyons, nous du gouvernement fédéral, que ces objectifs reflètent des préoccupations communes à tous les Canadiens, peu importe l'endroit où ils vivent. Nous croyons également, que la responsabilité d'assurer la poursuite de ces objectifs doit être partagée, en commun, par toutes les autorités publiques au Canada. Si l'on accepte ce point de vue, il faut également accepter le suivant. Pour faire en sorte que ces objectifs soient atteints partout au Canada et que tous les Canadiens bénéficient vraiment des efforts investis dans cette entreprise, il faut accorder un rôle étendu et tout à fait naturel au gouvernement fédéral, mais il faut également qu'il y ait concertation entre les autorités fédérales et provinciales.

La poursuite de ces objectifs exige que l'on confie un rôle important au gouvernement fédéral, parce qu'elle exige des mesures qui puissent s'appliquer à tous les Canadiens, qu'ils soient de Toronto, du Cap Breton ou de Frobisher. Comme l'affirme notre document, la dimension nationale des télécommunications au Canada ne peut être réduite à une simple addition des équipements que se partagent dix provinces.

Il ne faudrait pas penser cependant qu'accorder un rôle important au gouvernement fédéral implique automatiquement une centralisation des

institutions, ou l'imposition unilatérale d'un ensemble de normes et de règlements conçus en vase clos par Ottawa. Au contraire ! Les structures, de même que les mécanismes mis en oeuvre dans le domaine des télécommunications, doivent être réajustés pour accommoder les diversités régionales et les priorités provinciales. Car ce sont là des aspects de la réalité canadienne que nous n'avons pas le droit d'ignorer.

Le besoin de confier un rôle important au gouvernement fédéral dans la poursuite des objectifs nationaux et la nécessité d'assurer aux régions et aux provinces la possibilité de définir et de faire valoir leurs propres priorités, constituent en quelque sorte le poids et le contrepoids qu'il nous faut jeter dans la balance. La recherche d'un juste équilibre entre ces deux besoins devrait se retrouver au coeur des prochaines discussions fédérales-provinciales. Elle se trouve déjà au coeur des arrangements que nous proposons, en vue d'assurer une coopération et une collaboration plus efficaces avec les provinces. Elle se trouve également au coeur de nos propositions pour l'élaboration d'une nouvelle législation dans le domaine des communications. La lecture du document que nous venons de rendre public, devrait facilement vous en convaincre.

Certains pensent qu'il est impossible de trouver un juste équilibre entre ces deux besoins, et que la poursuite d'objectifs communs ou nationaux est incompatible avec la prise en considération des diversités régionales et provinciales. Je suis absolument en désaccord avec cette façon de voir. Si j'y souscrivais le moindre, vous ne me verriez pas ici en train de plaider le contraire. Mais je reconnais d'emblée que l'harmonie ne viendra pas sans

une certaine ouverture au compromis, et sans une juste combinaison de souplesse et de fermeté de la part de toutes les parties intéressées.

Le document que je viens de déposer en Chambre décrit un certain nombre de moyens d'en arriver à une plus grande coopération avec les provinces. Il suggère également des façons concrètes d'assurer une plus grande harmonie entre les divers organismes de réglementation au Canada.

J'espère que les provinces réagiront favorablement à ces propositions mais en même temps je reste conscient que le gouvernement fédéral ne peut aller au-delà d'une certaine limite. Nous abdiquerions nos responsabilités nationales, si nous consentions à une réduction substantielle de la juridiction fédérale, dans des domaines aussi vitaux que celui de la radiodiffusion et de la câblo-diffusion. Le gouvernement fédéral ne s'attache pas à sa juridiction comme à une fin en soi mais il reste conscient que c'est par le biais de cette juridiction qu'il est à même de s'acquitter de ses responsabilités envers la population du Canada.

Nous sommes à la veille de la deuxième rencontre fédérale-provinciale des ministres des Communications. Et pour ceux qui demeurent sceptiques face à notre approche évolutionniste dans le domaine de la législation, j'aimerais brosser une rapide esquisse de tout le chemin que nous avons parcouru au cours des sept dernières années, soit depuis la promulgation de la Loi sur la radiodiffusion et la création du CRTC en 1968.

Au cours de ces années, nous avons assisté à la création du ministère des Communications et de Télésat Canada. Parmi les nombreuses réalisations qui ont suivi, il faut compter la publication de plus de quarante rapports dans le cadre de la Télécommission, de deux livres verts, d'un rapport sur la télé-informatique et d'un rapport sur l'ordinateur et la vie privée, de nombreuses études sur des sujets relatifs à la radiodiffusion et d'une enquête sur les sociétés exploitantes de télécommunications et leurs fournisseurs. A cette liste il faut ajouter notre dernier document intitulé: "Télécommunications: Quelques propositions fédérales" et enfin le bill C-58 qui favorisera incontestablement les radiodiffuseurs canadiens en modifiant certains articles de la Loi de l'impôt sur le revenu. Et nous voilà maintenant prêts à présenter sous peu une nouvelle législation sur les télécommunications. Grâce à ce cheminement progressif, nous aurons bientôt un ensemble de lois fédérales idéalement adaptées aux télécommunications d'aujourd'hui.

J'aimerais insister sur le fait que cette évolution ne s'est pas réalisée en vase clos, indépendamment des gens et des organismes que le gouvernement dessert. Bien au contraire, mes fonctionnaires et moi-même

avons mis l'accent sur la consultation. Pour utiliser un mot propre au jargon des télécommunications, je dirais que les gouvernements, tout comme ceux qui en font partie, ont invariablement trouvé bénéfique l'emploi de la rétroaction.

Tous sont désormais convaincus que la concertation doit devenir de plus en plus un trait essentiel des relations fédérales-provinciales. Et je crois que le gouvernement fédéral a donné maintes preuves de sa bonne volonté, en manifestant un désir évident de reconnaître la légitimité des préoccupations et des intérêts des provinces et de soumettre à la discussion les questions d'intérêt commun. L'importance accordée à la consultation ne cesse de s'accroître à mesure que nous nous rendons compte que c'est seulement par une discussion franche et ouverte avec les provinces, que nous pouvons vraiment prendre conscience de la nécessité de trouver des solutions aux préoccupations locales, provinciales et régionales, au moment de l'élaboration et de la mise en oeuvre d'une politique canadienne des télécommunications.

Les propositions exposées dans le document que nous venons de publier, indiquent nettement que nous ne fermons pas les yeux sur les avantages concrets qu'il y a à faire appel aux initiatives des provinces dans le cadre de nos politiques nationales.

J'ai affirmé à plusieurs reprises, dans le cadre des conversations que j'ai eues avec mes collègues provinciaux, que toute proposition raisonnable visant à donner aux provinces un rôle accru dans le domaine des télécommunications, serait prise en très sérieuse considération, dans la mesure où ces modifications n'entraîneraient pas ou n'exigeraient pas un changement de juridiction, et dans la mesure où ces propositions seraient conformes aux

objectifs communs de la politique des télécommunications. Je n'ai pas changé d'avis.

Il ressort clairement de la première conférence fédérale-provinciale des ministres des Communications qui a eu lieu en novembre 1973, et d'une série de réunions particulières que j'ai eues avec des ministres provinciaux, que la plupart des provinces préféreraient jouer un rôle plus important dans l'élaboration de la politique fédérale, surtout en matière de réglementation. J'estime qu'il s'agit là d'un objectif dont la poursuite est parfaitement souhaitable et acceptable, étant donné la nature de notre système politique, les besoins des diverses régions, et les priorités des provinces.

A trois occasions distinctes, j'ai fait un certain nombre de propositions qui accorderaient aux provinces une participation plus directe aux divers aspects des télécommunications qui relèvent du gouvernement fédéral. Ces propositions comprenaient à la fois des arrangements administratifs et des mécanismes pratiques susceptibles d'entraîner une collaboration plus étroite entre le gouvernement fédéral et les gouvernements provinciaux. Les arrangements administratifs nécessiteraient sans doute une nouvelle législation, mais un certain nombre d'organismes de consultation pourraient être établis sans qu'il soit nécessaire de reviser les lois en vigueur. Les provinces n'ont pas encore réagi de façon positive à ces propositions, mais j'espère que nous ferons des progrès dans ce domaine lors de notre prochaine rencontre fédérale-provinciale.

Le document que j'ai déposé à la Chambre réaffirme, je crois, notre

désir de concilier les besoins des provinces avec les préoccupations nationales du gouvernement fédéral. Le lecteur y trouvera des propositions en vue d'en arriver à une coopération plus étroite avec les provinces ainsi que des propositions pour une nouvelle législation dont l'objectif principal serait également d'assurer une collaboration plus étroite avec les provinces. Une proposition-clé prévoit la création d'un comité des ministres des Communications. Ce comité serait d'abord un lieu d'échange mais il serait également chargé de commander des études et d'assurer une coordination en ce qui a trait à de nombreuses questions d'intérêt mutuel.

En ce qui a trait à la nouvelle législation, le document prévoit qu'elle sera introduite en deux étapes. La première étape, vous le savez sans doute, est constituée d'un projet de loi qui prévoit la fusion du Conseil de la Radio-Télévision canadienne et du Comité des télécommunications de la Commission canadienne des transports. Son étude est actuellement en cours à la Chambre des Communes. Le mariage de ces deux organismes de réglementation est en fait un simple mariage de convenance, car le bon sens administratif commande de réunir sous un même toit les fonctions exercées par ces deux organismes. Le nouvel organisme unique, qui portera le nom de Conseil de la radiodiffusion et des télécommunications canadiennes, représente en ce sens la dernière étape du processus de fusionnement des fonctions du gouvernement fédéral dans le domaine des télécommunications, processus qui a débuté avec la création du Ministère en 1969. Et j'ai toujours pensé, pour ma part,

qu'il était anormal que la Commission canadienne des transports soit chargée de régir les sociétés exploitantes de télécommunications.

Avec l'adoption du projet de loi C-5, qui créera le nouveau Conseil, nous pourrons rationaliser davantage la réglementation des divers systèmes qui relèvent de la juridiction fédérale. Cela s'impose si l'on tient compte des tendances actuelles à l'intégration dans les systèmes de télécommunications et de radiodiffusion. Nous nous rendons bien compte en même temps, que ce nouvel organisme fédéral de réglementation devra se concentrer de façon plus intense sur certains problèmes, tels que les conséquences sociales et économiques des augmentations de tarif et le besoin d'une planification intégrée de l'extension des services. J'aimerais ajouter que ces modifications ne signifient pas pour autant la mise en veilleuse des aspects culturels de la radiodiffusion qui ont été si admirablement défendus et établis par le CRTC. La première étape de la législation ne prévoit en effet aucune modification des pouvoirs existants. Mais le simple fait que les mêmes personnes - les membres du Conseil fédéral - seront désormais à même d'observer de leurs yeux l'interdépendance qui existe entre les décisions qui touchent les entreprises de radiodiffusion et celles qui affectent les sociétés exploitantes de télécommunications, représentera en soi un immense avantage, particulièrement lorsque ces décisions se recoupent, comme dans le cas des systèmes de câblodiffusion.

Incidemment, ceux d'entre vous qui ont eu maille à partir avec la conversion du système Fahrenheit au système Celsius, seront sans doute

heureux d'apprendre que le nouvel organisme fédéral n'exigera aucune espèce de conversion. Le sigle familier du CRTC sera maintenu intact.

La seconde étape des changements législatifs que nous avons entrepris sera beaucoup plus substantielle. Avec elle nous nous attaquerons à l'unification générale et à la révision partielle des lois existantes, y compris la Loi sur la radiodiffusion. Il devrait en résulter un ensemble complet de lois fédérales plus en harmonie avec la réalité des télécommunications contemporaines. J'espère que ces modifications n'éveilleront aucune crainte chez vous ou dans le grand public, car les objectifs de la loi actuelle sur la radiodiffusion n'en seront aucunement compromis. Au contraire, l'intérêt que le gouvernement porte à la santé de la radiodiffusion au Canada n'a jamais été aussi grand. Un des buts principaux de la nouvelle législation est de lui conserver toute sa vigueur, d'en promouvoir le développement et de rehausser la qualité des émissions canadiennes que nous offrent la radio et la télévision.

Afin que l'élaboration des politiques en matière de télécommunications, et j'insiste sur le mot "politiques", relève de façon plus évidente des représentants élus du peuple, la nouvelle législation accordera au gouvernement le pouvoir de donner des directives officielles au Conseil fédéral sur l'interprétation à donner aux objectifs inscrits dans la loi. Cette proposition particulière vous intéressera sans doute en tant que membres de l'Association canadienne des radiodiffuseurs. Elle intéressera également les provinces qui ont exprimé leur inquiétude au sujet du rôle réservé au gouvernement dans l'élaboration des politiques.

Il faut toutefois insister sur un point. Le contenu des émissions

de radiodiffusion ne sera soumis en aucun cas aux ingérence ou aux directives politiques. Cette restriction sera expressément mentionnée dans la version révisée de la loi sur la radiodiffusion.

D'autres propositions législatives ouvriront la porte à une collaboration plus efficace avec les provinces. En fait, l'une des objectifs principaux des propositions fédérales sera de fournir des moyens, qui permettront, aux provinces de participer à bon nombre de décisions touchant les télécommunications au Canada. A titre d'exemple, la nouvelle législation permettra à chaque province d'avoir son mot à dire dans la nomination d'un des dix membres à temps partiel du nouveau Conseil.

Ces membres à temps partiel auraient exactement les mêmes pouvoirs et les mêmes responsabilités que ceux que détiennent à l'heure actuelle les membres à temps partiel du CRTC en vertu de la Loi sur la radiodiffusion en vigueur. Et ils participeraient aux audiences publiques et aux délibérations privées du Conseil.

D'autres éléments du projet donnent également aux provinces une part accrue dans les processus de prises de décision au niveau fédéral. Par exemple, les représentants des organismes de réglementation du Québec et de l'Ontario seraient autorisés à participer aux travaux du Conseil fédéral, avant toute prise de décision concernant Bell Canada. Cette clause tient compte de la situation unique de l'Ontario et du Québec. Ces provinces sont en effet desservies essentiellement par une société exploitante qui relève du gouvernement fédéral à cause du caractère interprovincial de ses services. La

situation est semblable en Colombie-Britannique et à Terre-Neuve, mais dans ces cas, le gouvernement a entamé des discussions bilatérales en vue d'en arriver à des arrangements sur la réglementation de la British Columbia Telephone Company et des services téléphoniques du Canadien National à Terre-Neuve.

Dans la même veine, le conseil fédéral serait habilité à consulter un organisme provincial de réglementation avant une audience publique sur les tarifs lorsque cela pourrait avoir des conséquences importantes pour le réseau dans cette province.

Comme je l'ai mentionné il y a quelques minutes, la radiodiffusion continuera de relever de l'autorité exclusive du Parlement du Canada et elle sera réglementée par le nouveau CRTC. Mais même ici, une nouvelle clause de la législation autoriserait le gouvernement à demander des discussions fédérales-provinciales, de façon à tenir compte des préoccupations des provinces en matière de couverture et de service, avant toute prise de décision importante, en matière de radiodiffusion.

Les provinces se sont également montrées fort préoccupées par la réglementation de la télévision par câble. Et là encore, le projet de législation donnerait aux autorités provinciales une plus grande participation aux prises de décision en matière de licences de câblodiffusion. En effet, bien que le gouvernement fédéral considère que la télévision à antenne communautaire est un élément essentiel de l'organisation de la radiodiffusion canadienne, et qu'elle

relève en conséquence de la juridiction fédérale, la phase deux de la législation autoriserait des représentants des organismes de réglementation provinciaux appropriés à prendre part aux audiences publiques et aux discussions privées de l'organisme fédéral de réglementation, avant la prise de décisions touchant les licences de télévision à antenne collective.

Je résisterai à la tentation de dresser un catalogue complet de toutes nos propositions législatives. Ceux d'entre vous qui désirent les étudier davantage voudront probablement consulter le document lui-même. Mais je pense que vous conviendrez qu'il y a quelque chose de commun à toutes ces propositions. Toutes reflètent en effet le vif désir du gouvernement fédéral de trouver des moyens pratiques de satisfaire les préoccupations régionales et provinciales, sans renoncer pour autant à demeurer responsable des objectifs communs de la politique des télécommunications.

Certains trouveront peut-être que nos propositions reflètent une obsession pour les structures plutôt que pour la substance. Mais je ne peux partager ce point de vue. Chaque proposition est un reflet de ce que nous tentons de réaliser par nos objectifs communs. Cela ne nous empêche pas de penser cependant, qu'il faut établir des structures, et qu'il faut les établir avec une souplesse et une élasticité qui permette une consultation (officielle et officielle) aussi continue que possible. C'est donc ce que nous avons tenté de faire dans nos diverses propositions. Et je suis fermement persuadé que la promulgation de la législation de la seconde étape nous donnera le cadre solide au sein duquel nos politiques pourront être définies et mises en oeuvre de façon efficace.

Je m'attends bien entendu à une réaction favorable de la part des provinces. Mais je pense, en même temps, que le temps presse et que le fait de retarder indéfiniment la promulgation d'une législation dont nous avons un urgent besoin est contraire au bon sens.

Comme je l'ai dit au début de mon exposé, je crois au processus d'évolution et à la consultation. Mais l'évolution doit finalement produire de nouveaux organismes. Nous ne pouvons plus permettre aux changements technologiques d'échapper au contrôle politique. Nous ne pouvons retarder indéfiniment des décisions qui s'imposent dans l'espoir d'atteindre un ultime compromis. Quel que soit le résultat de la prochaine réunion fédérale-provinciale, je n'en continuerai pas moins à poursuivre les consultations avec détermination, et je reste prêt à rencontrer à tout moment les ministres provinciaux pour discuter de questions d'intérêt commun. Il devient toutefois de plus en plus évident que le gouvernement fédéral doit achever le plus rapidement possible la mise à jour de sa propre législation dans le domaine des télécommunications. Négliger de le faire serait démissionner face aux responsabilités que nous impose le développement rapide des télécommunications contemporaines. J'espère donc, si tout va bien, qu'un nouveau projet de Loi pourra être déposé d'ici quelques mois, à la Chambre des communes.

D'ici là, nous accueillerons bien sûr avec empressement vos réactions personnelles et les réactions de votre association à la position fédérale et à l'ensemble des propositions législatives que nous mettons de l'avant. Et nous tâcherons

d'en tenir compte en nous rappelant que le monde des télécommunications est fait de surprises et de défis, et qu'il ne livrera tous ses fruits qu'à ceux qui auront réussi à se concerter pour soumettre la technologie aux exigences de l'humain.

A SPEECH BY
GERARD PELLETIER
MINISTER OF COMMUNICATIONS
TO THE
CANADIAN CABLE TELEVISION ASSOCIATION

VANCOUVER
MAY 21, 1975



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Much has been said and written about the beauty of British Columbia--and the parochialism and provincialism of British Columbians. Usually, the commentators are Easterners. With the instant authority of a three-day visit, they say that, although mountains and ocean form an impressive backdrop, the foreground lacks the sophisticated and somehow more national preoccupations to be found in Montreal, Toronto and Ottawa. And then, with shocking insularity, these commentators point out that Canada's east-west transportation and communications links are a good thing because they bring a civilizing eastern influence to bear upon the untutored denizens of Canada's west.

I hope no one attending this meeting of the Canadian Cable Television Association shares such views because, it seems to me, that in the area of communications policy, the flow of transmissions should be as much from west to east as from east to west. At the recent CRTC hearings here in Vancouver, there was a degree of concern expressed about the social goals of communications which has not been equalled elsewhere in Canada. With imagination and an informed awareness, groups representing many facets of British Columbia society expressed again and again their desire that the whole community be more intensely involved in the policy and licensing decisions which determine the information it receives. The

federal government shares this concern. Indeed this concern lies at the root of our policies and involvements in federal-provincial deliberations within the field of communications. It is a concern which I hope will be articulated at this convention and achieved in the conduct of your own cable operations.

My purpose in this speech is to explain how the federal perception of these social goals will affect the cable industry. The timing is certainly fortunate because, as I'm sure you all know, a federal-provincial meeting on communications policy was held just last week.

This meeting is also appropriate for a discussion of cable. With one of the highest rates of cable penetration in Canada, and indeed the world, Vancouver exemplifies many of the problems and opportunities presented by the cable phenomenon. That it is a phenomenon, I'm sure you'll all agree. For the last ten years, cable has been one of the fastest growing and most prosperous industries in Canada, and has added a new dimension to the Canadian broadcasting and communications systems.

Like most new dimensions, cable, of course, contains a potentiality for heaven and hell; and to my regret--and relief--neither has been realized. In other words, I do not believe that cable poses a fatal threat to the Canadian broadcasting system. I am convinced, though, that the cable industry is part of the Canadian broadcasting system and can do much more to improve the quality of Canadian life.

But, to understand how cable can make such a contribution, we must take a step backward and view cable in the context of the entire Canadian communications system. As I'm sure you all agree, the last twenty years have seen a revolution in our means of perceiving the world. Indeed, thanks to the rapid development of communications technology, the world has become a daily visitor in most Canadian homes. There can be little doubt that this new guest has opened up new vistas of knowledge and possibility. But, at the same time, this global visitor has taken on many of the qualities of Ionesco's menacing strangers who enter a home only to force upon its inhabitants the knowledge of their helplessness, absurdity and irrelevance in the global context.

For Canadians, located as they are next to the United States - the most dynamic disseminator in the world of one particular global view - this observation is particularly true. At the present time, American television signals can reach over fifty per cent of the Canadian population without the assistance of cable. Many Canadians know more about Watergate than they do about federal-provincial deliberations on the price of oil and gas. In short, it is quite possible that our own unique concerns

could be drowned in a flood of American information. It is for this reason that the federal government has continually emphasized and acted to ensure that the Canadian communications system serves uniquely national objectives.

The emphasis upon east-west--and west-east--communications links has been a constant concern of federal governments since the time of Macdonald. More recently, the federal government has acted to ensure that the inhabitants of the North are not isolated from the benefits of the communications revolution. But these policies in themselves, however vital, are not enough in the present era.

People relate to the world in concentric circles. They pick and choose among the maelstrom of global information bits according to how these relate to the concerns of family, community, region and nation. But to make these selections, these fundamental concerns must receive some recognition, some legitimation from the media. Otherwise, popular confidence in the legitimacy of local concerns becomes corroded. People become passive addicts to the global fix, isolated from themselves, the world and all that intervenes between the two.

It should be emphasized that the purpose of the federal government is not to exclude the world from Canadian homes. That would be impossible and wrong. Rather, it is to make that world comprehensible in the only way possible: by ensuring that the unique concerns of Canadian

communities, Canadian regions and Canada itself--as well as international events--are interpreted by Canadians for Canadians over a uniquely Canadian communications system.

In the last eight years, an integrated federal policy to meet these goals has been gradually evolving. The deliberate pace of its development is a reflection of the complexities of modern communications and its many ramifications for our society and culture.

The Department of Communications, formed in 1969, has responsibility for ensuring the development and efficiency of Canadian communications systems and facilities. Exhaustive research through the Telecommission and within the Department has resulted in a refinement of communications objectives and a fuller understanding of the means by which these objectives may be realized. The publication by the Department of Instant World, the Green Paper, and the position paper issued last month, has reflected the desire of this government to inform and involve the Canadian public in the creation of a comprehensive policy for communications. I was very happy to receive your opinions on the Green Paper and I would hope that you will similarly comment on the new proposals.

The federal government has also invited the provinces to participate in the formulation and implementation of this new policy. Indeed, one of the challenges of Canadian politics is the attempt to blend federal and provincial priorities into a greater and more satisfactory whole. There are few areas where the synergy of Canadian federalism is more important than in the area of

communications. For this reason, we convened a federal-provincial conference in 1973. I myself have been in continuing consultation for the last year, with provincial ministers responsible for communications. In fact, we met only last week to discuss the government's new position paper.

At this meeting, the federal government suggested various consultative and administrative arrangements by which the provinces would have a continuing say in the formulation and execution of a national communications policy. I invited the provincial ministers to participate with me in the establishment and operation of a Committee for Communications Policy.

The purpose of this Committee would be to coordinate federal and provincial planning of communication systems to serve social, cultural and economic goals. It would ensure that regional differences were taken into account in the adoption of compatible technical standards for all telecommunications systems in Canada, and in the scrutiny of the plans and rate structures for all interprovincial and North American communications services. The provinces have chosen to reserve their position on this proposal until the conference reconvenes in the middle of July.

The federal government also suggested that an Association of Communications Regulatory Bodies be formed. Its members would include the regulatory bodies of all the provinces and that of the federal government in the field of communications. This Association would have sponsored studies and made recommendations to the Committee on Communications Policy.

The provinces have yet to consider whether they will take this significant step towards harmony in regulatory practice.

The federal government also proposed giving the provinces some influence over the decisions of the new federal regulatory body, for which legislation has already been passed by the House of Commons. The new CRTC - to be known as the Canadian Radio-television and Telecommunications Commission - will have ten part-time members, each of whom may be appointed with the concurrence of a single province. In the next phase of legislation it is proposed that the Governor in Council be empowered to give formal directions to the Commission on the interpretation of statutory objectives and the means of implementing them. If the necessary federal-provincial agreement exists, it is felt that this provision will enable provincial governments to influence substantially the general principles governing the regulatory policies of the new Commission. The provinces have yet to express their views on these proposals.

Finally, the federal government suggested four fundamental objectives to be pursued as a means of ensuring harmony between federal and provincial communications policies. Although some provinces have indicated their agreement with these objectives, others have chosen to taken them under consideration for the time being.

The overwhelming dependence of the Canadian broadcasting system upon a small number of key urban markets for advertising revenue illustrates the fundamental interdependence of broadcasters in the different provinces. Cable systems themselves, though physically located in one province, carry the programs of national and American networks. The very shrinking of geographical perspectives occasioned by modern communications also renders broadcasters, carriers and cable systems both national as well as regional in their scope. The existence to the south of the most dynamic and powerful communications system in the world makes a strong federal role a vital necessity. For there can be little doubt that communications are now the spinal cord of our society. Therefore, we must ensure that any realignment of roles and responsibilities does not transform this electronic nervous system into an inarticulate hydra-headed monster.

The urgency of these matters has made it imperative that the federal government proceed with appropriate, comprehensive legislation. There will, of course, be a continuing discussion with the provinces to ensure that their priorities are not ignored in the new regulatory process.

As I have already mentioned, legislation creating a Canadian Radio-television and Telecommunications Commission has already been passed

by the House of Commons. This new agency will be responsible for the regulation of both broadcasting and telecommunications. The blurring of the distinction between these two types of communication by the development of new technology renders essential this unification of regulatory responsibility. It also permits a meshing of our concern that communications serve social goals with the imperative need for the rationalization of its technological development.

The second phase of legislation, described in some detail in the new position paper, will also permit a more integrated approach to the regulation of broadcasters and federally regulated carriers. It will involve minor changes in the Broadcasting Act, the relevant sections of the Railway Act and all other federal statutes relating to communications. The foundation of this new communications legislation will rest upon the four objectives outlined in the paper. These are so basic to our new communications policy that I shall repeat them here:

First, communications systems and services should be reliable, efficient and economical in all parts of the country, taking full account of regional and provincial needs and priorities.

Second, communications systems and services should be designed to preserve and strengthen the economic, social, cultural and political fabric of Canada.

Third, communications systems and services in Canada should be Canadian owned and/or regulated. At the same time, there should be a strengthening of Canadian industry both in research and manufacture of telecommunications equipment and in the provision of computer-communications services and facilities.

Fourth, Canadians should have access to as wide a choice of information and entertainment as possible, in both official languages, and Canadian sources of creativity and information should be emphasized.

It is my hope that these objectives will impart a new, more socially responsible direction to the cable industry. I should emphasize again, however, that I am not convinced that the cable industry "stinks", as an Ontario cable system operator stated at a recent CRTC hearing. Nor do I believe that you have damaged the Canadian broadcasting system. Nonetheless, I do believe that cable contains a vast reservoir of possibilities for social good which has not been fully tapped.

It may well be that you will be expected to assume new responsibilities. It is no longer sufficient for cable to be just a passive transmitter of distant signals. Canadians prefer more than a nightly message from distant television stations. They vitally need something which will contribute to their sense of communal identity. It is my belief that cable can and should make a valuable contribution in this direction.

Certainly you have the potential, given that Canada is the most heavily cabled country per capita in the world. But all those miles of cable are only a highway without a destination, unless they serve the Canadian people. The days when communications technology was admired for its own sake are long since past.

There is no doubt that the cable industry, as a whole, has the economic resources to meet new social obligations. Each of your cable operations is a monopoly in its franchise area. And, even with the problems you have faced in the past, your industry is among the most prosperous in Canada. In 1973 the rate of return after taxes on shareholder equity in the cable industry was 17 per cent. On the other hand, I realize that, in 1973, six per cent of the cable companies made 67 per cent of the after-tax profits of the entire Canadian cable industry. This unbalanced distribution of profits will have to be taken into account in the formulation of future policies.

With your potential for good and your prosperity, you should not be surprised that public policy will be requiring you to assume a greater social role. Indeed, you should be surprised that this demand was not made much earlier.

In this context, it might be worthwhile to recall the story of the salt-chuk-oluk--a British Columbian Indian legend. During the first gold rush up the Fraser River, many Squamish tribesmen served as guides to the gold-seekers. But of all those who did so, only one was corrupted by gold fever. He returned

home with many nuggets, and--to quote the story-teller--"He loved them better than food, better than his brothers, better than his life." His tribe, angry and dismayed, demanded that he hold a great potlatch and share some of his riches among the poor, the old, the sick and the foodless. But he refused. As punishment for his greed, he was turned into a salt-chuk oluk--a gigantic two-headed sea-serpent. I don't think I need to add that, if an industry as prosperous as cable does not fully carry out its social obligations, it too may well be turned into a salt-chuk-oluk.

Among the most important of these obligations is to ensure that viewers in small remote communities have the widest possible range of programming choice. I am not impressed by the statements of Torontonians that television is a purveyor of pap and that people in remote communities are lucky to be without it. Given that fourteen television stations are available in the Toronto area - even without cable, and as one Toronto cable company says "The magic touch brings up to 23 channels". - such statements are little more than hypocritical rationalizations of privilege in the area of communications. Every effort must be made to ensure that viewers in such communities have the widest possible range of programs among which to choose. I expect the cable industry to contribute to this goal by extending their own services into such communities. I recognize, however that these towns, with their small scattered populations, are not the most lucrative of market areas.

For this reason, public policy will encourage you--and particularly the larger and more profitable cable companies--to participate in agreements to share the cost of microwave feeds. In some cases, you may be required to operate in several municipalities, some large and some small, in order to meet this objective. In a few cases, cross-subsidization between large and small cable companies may be necessary. The particular policy recipe will, of course, vary, depending upon the area. What will remain constant is the governmental desire to mobilize the cable industry in a drive to extend broadcasting services.

It is not sufficient, of course - for cable simply to increase the range of viewer choice in small and remote communities. While large metropolises like Toronto and Montreal, are inundated by local broadcasting many small communities lack even a single local broadcaster. This fundamental inequity can have serious consequences, particularly when a cable operation is introduced to bring in distant signals. Often the vitality of these small communities is diluted and dispersed by an onrush of metropolitan values. The result is a kind of communal entropy, a slow but inevitable dissipation of the local energies which give these communities their own unique identities. To do nothing for these communities is to invite the destruction of that social and cultural diversity which distinguishes Canada from the United States.

I believe that cable can make an important contribution to the rectification of this deficiency. In communities which lack a local broadcaster but have a cable system, cable can and should provide an active and locally relevant community channel and, in reality, assume some of the responsibilities of a local broadcaster. I do not, of course, mean to suggest that cable operators serving small communities should take on all the functions of a local broadcaster. That would be impossible. I do feel certain, though, that the provision of local news and the coverage of small-town cultural and sporting events as well as citizens meetings would not weigh too heavily on the cable industry.

I recognize, of course, that such communities may not in themselves produce enough funds to support an active community channel. However, I am convinced that the Canadian cable industry as a whole can support such services. If you are to become a dynamic component of the Canadian broadcasting system, such support is mandatory. Certainly, the various cost-sharing arrangements I have already mentioned are one means of meeting this end. Other co-operative arrangements between members of this association are equally possible. I should emphasize that I am looking forward to hearing your proposals in this regard. For such innovative approaches are, in my mind, a necessary step toward a major objective of communications policy--the dynamic integration of cable into the Canadian broadcasting system.

Another opportunity presented by cable is that it can equalize the usefulness of the different parts of the radio-frequency spectrum. At the

present time, many television broadcasters seem to regard the

UHF range as a very poor second choice. As cable penetration increases I would hope that this perception changes.

With the high capabilities for receiving signals of most cable systems, and their ability to deliver clear signals to subscribers, broadcasting in the UHF range is now just as effective as that in the VHF range in many urban communities. Indeed, at the present time, both CITY-TV and Global Television in Toronto broadcast in the UHF range. And, because of high rates of cable penetration, they are able to compete successfully with those stations using VHF.

The cable industry will also be encouraged to explore new roles within the context of the Canadian broadcasting system. At the present time, the radio-frequency spectrum in our major cities is seriously congested. Because cable affords an alternative spectrum, it does not add to this clogging of the air-waves. Indeed, in cities where the level of cable penetration is high, it is now technically and socially practicable to wire broadcasting outlets directly into cable systems. Such a step should be seriously considered because it would free up the "off-air" spectrum for other uses. For example, instead of assigning our VHF channels to the major urban areas we could encourage a policy whereby transmitters are located in rural areas - where cable service is not available - and depend upon cable to serve the urban areas.

Outside the broadcasting area, I realize that cable operators are very anxious to offer special entertainment and information services. These new services must be approached cautiously. One which is neither particularly new nor innovative will require especially careful assessment. And that is Pay-Television.

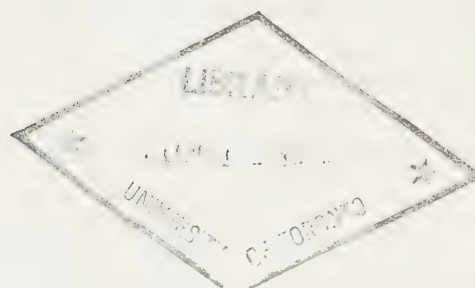
Although its commercial possibilities are no doubt enormous, Pay-TV as presently conceived is little more than a pay-as-you-go double of existing television services. The category of programming most shown on television is sports and entertainment. And it is this area which is most heavily exploited by the purveyors of Pay-TV. As presently conceived, Pay-TV would compete with public and private broadcasters for the vital revenues flowing from the coverage of sports events and the production of entertainment programs - revenues which are essential to meet their other programming objectives. Protection of the existing services must be ensured. Under no circumstances can the "cream" be skimmed from the present broadcasting system and poured into Pay-TV. The Canadian broadcasting system is essential to the achievement of our communications objectives and the Canadian government will not allow it to become a second rate service.

In closing, I can only emphasize again that cable television and the entire Canadian communications system must serve social objectives -- objectives on which the Federal government's goals for communications policy are firmly based. As we said in the recent paper on communications objectives, "A primary concern of the Government is to ensure that, in the field of Communications, the development and use of new technology shall be the subject of a conscious choice which establishes a proper balance between the economical employment of scarce resources and the development of effective service to the public".

The Federal government intends to ensure that future regulation of communications services, including cable television, reflects this proper balance between the interests and needs of the public and the economic strength of the private sector.

Here, let me repeat that this balance demands the full integration of cable into the broadcasting system. I know that you have, in the past, thought of yourselves as "hybrids" or "transmitters" or as "local broad-band carriers". I cannot agree. You are not passive transmitters of signals, not hybrids, not local broad-band carriers. In my opinion, you are a distinctive, important, and integral part of the broadcasting system. And as part of it, you have a major responsibility to contribute to the furtherance of Canadian social objectives in Communications.

As Minister of Communications, I can assure you of the Federal government's full support for any and all endeavours of the cable television industry that truly meet the needs of the Canadian public.



NOTES POUR UNE ALLOCUTION
DE L'HONORABLE GERARD PELLETIER
MINISTRE DES COMMUNICATIONS
PRONONCEE
AU 18ième CONGRES ANNUEL
DE L'ASSOCIATION CANADIENNE DE TELEVISION PAR CABLE
A VANCOUVER. *May 21, 1975.*
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On a dit et écrit beaucoup de choses sur la beauté de la Colombie-Britannique et sur l'esprit de clocher et le provincialisme de sa population. Habituellement, ceux qui s'expriment ainsi viennent de l'est du pays. Avec l'autorité que leur confère une visite de trois jours, ces observateurs affirment que même si les montagnes et l'océan forment un arrière-plan impressionnant, on ne trouve pas à l'avant-plan du paysage ces préoccupations subtiles et légèrement plus nationalistes que l'on décèle à Montréal, à Toronto ou à Ottawa. Et, victimes de leurs préjugés d'insulaires, ces observateurs s'empressent aussitôt de souligner les bienfaits des réseaux de transport et de communications canadiens qui apportent aux citoyens incultes de l'Ouest l'influence civilisatrice de l'est du Canada.

J'espère que personne, ici, à cette réunion de l'Association canadienne de télévision par câble, ne partage une telle façon de voir, car il me semble que dans le domaine des télécommunications, la circulation doit se faire autant d'ouest en est que d'est en ouest. Lors des dernières audiences du C. R. T. C. tenues ici à Vancouver, on a manifesté à l'endroit des objectifs sociaux des télécommunications un niveau de préoccupations sans pareil au Canada. Pleins d'imagination et bien au fait, des groupes venus de tous les milieux sociaux de la Colombie-Britannique, ont maintes fois exprimé leur désir de voir l'ensemble de la collectivité participer plus intensément aux décisions en matière de politique et de délivrance des licences, car ces décisions exercent une influence déterminante sur l'information offerte à la population. Le gouvernement fédéral

partage cette préoccupation. C'est même elle qui inspire nos politiques et les positions que nous défendons lors des discussions fédérales-provinciales dans le secteur des télécommunications. Et j'espère que cette préoccupation occupera également une place importante au cours du présent congrès et dans la conduite de vos entreprises de câblodiffusion.

J'aimerais d'ailleurs vous expliquer dans mon discours la façon dont le fédéral perçoit ces objectifs sociaux, et quelles en seront les conséquences pour l'industrie du câble. Le moment ne peut être mieux choisi puisque, vous le savez tous, une conférence fédérale-provinciale sur la politique des télécommunications vient d'avoir lieu, il y a tout juste une semaine.

La ville où nous nous trouvons se prête également, on ne peut mieux, à une discussion sur le câble. Etant l'une des villes du Canada, et même du monde entier, où le câble a le plus pénétré, Vancouver témoigne à la fois des problèmes et des perspectives extraordinaires qui ont accompagné le développement explosif de la câblodiffusion. Que la télévision par câble se soit développée à une allure phénoménale, vous en conviendrez sans doute facilement. Au cours des dix dernières années, l'industrie du câble a été l'une de celles qui ont grandi le plus rapidement et qui ont été les plus prospères au Canada. Et la câblodiffusion est venue ajouter une dimension nouvelle aux systèmes canadiens de radiodiffusion et de télécommunication.

Comme la plupart des nouvelles inventions, le câble peut s'avérer une bénédiction ou un désastre; c'est avec regret et soulagement que je constate que ni l'une ni l'autre de ces potentialités ne s'est matérialisée. En d'autres mots,

je ne crois pas que le câble représente une menace fatale pour notre système canadien de radiodiffusion. Mais, je suis également convaincu que l'industrie du câble fait partie intégrante du système canadien de radiodiffusion et qu'elle peut faire bien davantage pour améliorer la qualité de la vie des Canadiens.

Pour comprendre comment le câble peut contribuer à améliorer la qualité de vie des citoyens, il nous faut prendre un certain recul et examiner la place qu'occupe la câblodiffusion dans l'ensemble du système canadien de télécommunications. Au cours des vingt dernières années nous avons été témoins, vous en conviendrez, d'une véritable révolution dans nos moyens de percevoir le monde. Grâce au développement rapide de la technologie des télécommunications, le monde entier pénètre désormais chaque jour dans la plupart des foyers canadiens. Et sans doute ce visiteur nous a-t-il ouvert de nouveaux horizons en multipliant nos connaissances et en nous révélant des perspectives inédites. Mais, en même temps, cet hôte envahissant s'est plu à jouer le rôle des étrangers menaçants de Ionesco qui n'entrent dans une maison que pour provoquer chez ceux qui l'habitent une prise de conscience de leur impuissance, de leur absurdité et de l'insignifiance de leur vie par rapport au contexte global.

Et cette réflexion vaut davantage encore pour nous, Canadiens, qui sommes voisins des Etats-Unis. Collés à cette Amérique qui propage avec un dynamisme sans pareil sa façon globale et bien particulière d'envisager la vie, il nous est difficile de découvrir et d'assumer notre propre identité culturelle. A l'heure actuelle, les signaux de la télévision américaine peuvent atteindre

plus de cinquante pour cent de la population canadienne sans même passer par le câble. Et nombreux sont les Canadiens qui connaissent davantage le scandale du Watergate que l'existence d'une entente fédérale-provinciale sur le prix du pétrole et du gaz. Il est donc tout à fait possible que nos propres préoccupations en viennent à être noyées dans un raz de marée d'informations américaines. Voilà pourquoi le gouvernement fédéral a toujours tenu à ce que le système canadien de télécommunications serve des objectifs qui soient d'abord et avant tout canadiens. Et nous n'avons cessé de poser des gestes en ce sens.

Depuis l'époque de Macdonald, tous les gouvernements fédéraux se sont préoccupés de développer les liaisons d'est en ouest, et d'ouest en est. Et depuis quelques années le gouvernement fédéral a pris des mesures pour que les habitants du Nord tirent eux aussi avantage de la révolution des télécommunications. Mais à l'époque où nous vivons, ces politiques, même très importantes, ne suffisent plus à elles seules.

Les gens entrent désormais en relation avec le monde par cercles concentriques. Du déluge d'information dont on les assaille, ils ne retiennent que les quelques bribes qui rejoignent leurs préoccupations familiales, communautaires, régionales et nationales. Mais pour rendre ces choix possibles, il faut que les médias reconnaissent et sanctionnent en quelque sorte ces préoccupations fondamentales. Autrement la croyance de la population à la légitimité des préoccupations locales s'effrite. Incapables de se reconnaître dans l'image que leur renvoient les médias, les gens vivent isolés d'eux-mêmes et du monde, et ils s'enfoncent lentement dans la passivité et l'aliénation.

Je m'empresse de souligner que le gouvernement fédéral n'a aucunement l'intention d'empêcher le monde de pénétrer dans les foyers canadiens. Ce serait impossible et, de toute façon, nous ferions fausse route. Notre intention est au contraire de rendre l'univers intelligible de la seule façon qui soit possible, c'est-à-dire en veillant à ce que les préoccupations particulières des diverses communautés et des diverses régions, de même que celles du Canada tout entier - sans oublier, bien sûr, les événements internationaux - soient traduites par des Canadiens, pour les Canadiens, grâce à un système de télécommunications qui soit vraiment nôtre.

Au cours des huit dernières années, le gouvernement fédéral a graduellement mis au point une politique unifiée pour atteindre cet objectif. Le temps que nous avons mis à développer cette politique reflète bien la complexité des communications modernes et de leurs nombreuses ramifications dans notre société et notre culture.

Depuis sa création, en 1969, le ministère des Communications est responsable du développement et de l'efficacité des systèmes et des services canadiens de télécommunications. Des travaux effectués dans le cadre de la Télécommission et au sein du Ministère nous ont conduit à une définition plus raffinée des objectifs qui doivent régir les télécommunications. Et nous possédons aujourd'hui une meilleure compréhension des moyens à mettre en oeuvre pour atteindre ces objectifs. Le rapport de la Télécommission, le Livre vert et notre dernier document sur la position fédérale marquent autant d'étapes dans l'évolution de notre pensée, et la publication de ces documents montre assez bien notre

désir d'informer et de faire participer le public canadien à la création d'une politique d'ensemble dans le domaine des télécommunications. Personnellement c'est avec plaisir et grand intérêt que j'ai accueilli vos réactions au Livre vert, et j'espère que vous me ferez également parvenir vos commentaires sur nos nouvelles propositions.

Le gouvernement fédéral a également invité les provinces à participer à la formulation et à la mise en oeuvre de cette nouvelle politique. Tenter de concilier les priorités du gouvernement fédéral avec celles des provinces pour les fondre en un ensemble plus vaste et plus satisfaisant constitue d'ailleurs l'un des défis constants de la politique canadienne. Mais il existe peu de domaines où la synergie du fédéralisme canadien est plus importante que dans celui des télécommunications. C'est pour cette raison que nous avons convenu de tenir une conférence fédérale-provinciale en 1973. J'ai ensuite poursuivi personnellement des consultations avec mes collègues provinciaux responsables des communications tout au cours de l'année passée. Et nous venons tout juste de nous réunir la semaine dernière pour discuter nos dernières propositions et celles des provinces.

Lors de cette réunion, le gouvernement fédéral a proposé diverses mesures qui permettraient aux provinces d'avoir à tout moment leur mot à dire dans l'élaboration et la mise en oeuvre d'une véritable politique canadienne des télécommunications. A titre d'exemple, j'ai invité les ministres provinciaux à participer avec moi à l'établissement d'un Comité sur la politique des télécommunications, et à prendre part à ses travaux.

Le but de ce Comité serait de coordonner la planification fédérale et provinciale des systèmes de télécommunications, de façon à répondre aux besoins sociaux, culturels et économiques du pays. Grâce à ce Comité nous pourrions davantage tenir compte des divergences régionales au moment d'adopter de part et d'autre des normes compatibles pour l'ensemble des systèmes de télécommunications du Canada. Nous pourrions faire de même lorsqu'il s'agirait d'examiner ensemble les plans et les structures tarifaires affectant tous les services interprovinciaux et nord-américains de télécommunications. Les provinces ont décidé de réserver leur jugement sur cette proposition jusqu'au moment où la conférence reprendra ses travaux en juillet prochain.

Le gouvernement fédéral a proposé en outre la création d'une Association des organismes de réglementation. Cette association regrouperait tous les organismes provinciaux et fédéral, qui réglementent les télécommunications au Canada.

Cette association pourrait commander des études et présenter des recommandations au Comité sur la politique des télécommunications. Les provinces n'ont pas encore décidé de franchir cette importante étape vers une plus grande harmonie en matière de réglementation.

Le gouvernement fédéral a également offert aux provinces de prendre part aux décisions du nouvel organisme fédéral de réglementation qui sera créé en vertu du Bill C-5 adopté récemment par la Chambre des communes. Le nouveau C. R. T. C. - qui s'appellera Conseil de la radiodiffusion et des télé-

communications canadiennes - comprendra dix membres à temps partiel et chacun serait nommé avec l'assentiment d'une province. Il est de même proposé, dans la deuxième étape de la législation, que le gouverneur en conseil ait autorité pour donner des directives officielles au Conseil sur l'interprétation des objectifs visés par la loi ainsi que sur les moyens d'en assurer la mise en oeuvre. Si les provinces sont d'accord, cette disposition leur permettra d'exercer une influence importante sur les principes généraux qui régiront les politiques de réglementation du nouveau Conseil. Les provinces n'ont pas encore fait connaître leurs points de vue sur ces propositions.

Enfin, le gouvernement fédéral a proposé aux provinces quatre objectifs fondamentaux dont la poursuite permettrait d'harmoniser les politiques fédérales et provinciales en matière de télécommunications. Certaines provinces nous ont signifié leur accord avec ces objectifs, tandis que d'autres ont préféré les étudier plus à fond avant de prendre une décision.

Dans toutes nos discussions avec les provinces nous avons souligné avec insistance qu'aucun service de télécommunications ne saurait être purement local. Tous ont des incidences nationales, et le gouvernement fédéral ne peut abandonner sa responsabilité de veiller au bon fonctionnement des télécommunications dans l'ensemble du pays.

Le fait même que le réseau canadien de radiodiffusion tire presque exclusivement ses revenus publicitaires d'un petit nombre de marchés urbains illustre bien l'interdépendance fondamentale qui existe entre les radiodiffuseurs des diverses provinces. Et si les réseaux de câblodiffusion semblent à

première vue circonscrits dans les limites d'une province donnée, ils distribuent en fait les émissions du réseau national et celles des réseaux américains.

Les télécommunications modernes ayant aboli les distances, les radiodiffuseurs, les sociétés exploitantes et les réseaux de télévision par câble ont acquis du même coup une envergure nationale aussi bien que locale. Et la simple présence, au sud de notre pays, du système de télécommunications le plus dynamique et le plus puissant au monde, commande que nous confions au gouvernement fédéral un rôle très important dans le domaine des télécommunications. Car on peut affirmer sans exagération que les télécommunications sont devenues l'épine dorsale de notre société. Nous devons donc nous assurer qu'en redéfinissant nos rôles et nos responsabilités, nous ne transformerons pas ce système nerveux électronique en un monstre tentaculaire, semblable à cette hydre polycéphale que seul Hercule parvint à maîtriser.

L'envergure et l'urgence des problèmes auxquels nous nous trouvons confrontés commandent que le gouvernement fédéral mette au point le plus tôt possible, une législation détaillée et adaptée au besoin de l'heure. Bien entendu nous poursuivrons nos discussions avec les provinces afin de tenir compte de leurs priorités dans ce nouveau cadre réglementaire.

Comme je l'ai mentionné plus haut, la Chambre des communes a déjà adopté la loi créant le Conseil de la radiodiffusion et des télécommunications canadiennes. Ce nouvel organisme sera responsable de la réglementation en matière de radiodiffusion et de télécommunications. Le développement des nouvelles techniques a rendu de moins en moins nette la distinction entre ces

deux types de communication et il était devenu essentiel de procéder au regroupement de nos diverses responsabilités en matière de réglementation. Cette unification nous permettra également de concilier notre souci de mettre les télécommunications au service d'objectifs sociaux, avec le besoin impérieux de rationaliser le développement technologique dans ce domaine.

La deuxième étape de la législation, décrite de façon assez détaillée dans le nouvel exposé de nos propositions nous permettra aussi d'aborder d'une façon mieux intégrée et plus cohérente la réglementation des radiodiffuseurs et des sociétés exploitantes réglementées par le gouvernement fédéral. On apportera en conséquence des modifications mineures à la Loi sur la radiodiffusion, aux articles pertinents de la Loi sur les chemins de fer et à toutes les autres lois fédérales relatives aux télécommunications. Les bases de cette nouvelle législation reposeront sur les quatre objectifs énoncés dans notre "Livre gris". Et ces objectifs sont si fondamentaux pour comprendre notre nouvelle politique des télécommunications qu'il vaut la peine que nous les relisions ensemble une nouvelle fois.

Premièrement, les systèmes et les services de communications doivent être fiables, efficaces et économiques partout au Canada, et ils doivent tenir compte des besoins et des priorités des diverses régions et des diverses provinces du pays.

Deuxièmement, les systèmes et les services de communications doivent être conçus de façon à préserver les structures économiques, sociales et politiques du Canada.

Troisièmement, nous devons faire en sorte que les Canadiens possèdent, ou contrôlent efficacement par les divers organismes de réglementation du pays, tous les systèmes et services de communications au Canada. Nous devons en même temps encourager l'industrie canadienne, et renforcer les entreprises engagées dans la recherche, dans la fabrication du matériel de télécommunications ou dans la fourniture des services et des installations de téléinformatique.

Quatrièmement, tous les Canadiens devraient avoir accès au choix le plus étendu possible de sources d'information et de divertissement, dans les deux langues officielles du pays. Et nous devons assurer la promotion de nos talents canadiens dans les domaines de la création et de l'information.

J'espère que ces objectifs donneront à l'industrie du câble une orientation nouvelle et plus responsable sur le plan social. Je ne crois pas toutefois que votre industrie soit "infecte", comme l'a déclaré un câblodiffuseur de l'Ontario lors d'une récente audience du C.R.T.C. Je ne crois pas non plus que vous ayez causé du tort au réseau canadien de radiodiffusion.

Je suis convaincu cependant que la câblodiffusion peut nous apporter beaucoup plus sur le plan social et que nous n'avons pas encore réussi à exploiter toutes ses virtualités dans le meilleur intérêt de la population.

Vous serez sans doute appelés à assumer bientôt de nouvelles responsabilités. Les câblodiffuseurs ne peuvent plus se contenter d'être des retransmetteurs passifs de signaux éloignés. Les Canadiens veulent autre chose que ce déluge quotidien d'émissions étrangères. Il ont un besoin vital de nourrir leur sentiment d'appartenance à une communauté, et je crois que le câble peut

et doit contribuer à la réalisation de cet objectif.

Vous en avez sûrement les moyens car, toute proportion gardée, le Canada est le pays le plus "câblé" du monde. Mais tous ces milles de câbles ne mènent nulle part, à moins qu'ils ne soient mis au service de la population canadienne. L'époque où l'on admirait pour elle-même la technologie des télécommunications est désormais révolue.

L'industrie du câble, dans son ensemble, dispose sans aucun doute des ressources économiques suffisantes pour faire face à de nouvelles obligations sociales. Chacune de vos exploitations de câblodiffusion constitue en fait un monopole dans le secteur de sa franchise. Et en dépit des problèmes auxquels vous avez eu à faire face dans le passé, votre industrie est parmi les plus prospères au Canada. En 1973, le taux de rendement des actions dans l'industrie du câble s'élevait, après impôt, à 17%. Par ailleurs, je me rends bien compte, qu'en 1973, six pour cent des compagnies de câblodiffusion ont à elles seules rafflé 67% des profits après impôt réalisés dans le secteur du câble. Il nous faudra donc tenir compte de ce déséquilibre dans la répartition des profits lors de la formulation de nos politiques futures.

Compte tenu de votre prospérité et de vos possibilités d'agir dans l'intérêt commun, il ne faudrait pas vous surprendre de voir les politiques publiques exiger que vous assumiez à l'avenir un rôle social plus important. En fait, vous devriez être étonnés que semblable demande ne vous ait pas été faite plus tôt.

Dans ce contexte, permettez-moi d'évoquer ici l'histoire du *chuk oluk* des mers, une légende indienne de la Colombie-Britannique. Au cours de la première ruée vers l'or sur le fleuve Fraser, de nombreux membres de la tribu Squamish servirent de guides aux chercheurs d'or. Mais parmi eux, un seul fut corrompu par la fièvre de l'or. Il revint à la maison avec de nombreuses pépites, et, selon les mots mêmes du conteur, "il les aimait plus que la nourriture, plus que ses frères, plus que sa vie". Consternée, sa tribu en colère l'obligea à donner un grand potlatch et à partager une partie de ses richesses avec les pauvres, les vieillards, les malades et les affamés. Mais il refusa. Comme punition pour sa cupidité, il fut changé en *chuk oluk* des mers, immense serpent à deux têtes vivant en eau salée. Je n'ai pas besoin d'ajouter que si une industrie aussi prospère que celle de la câblodiffusion ne remplit pas pleinement ses obligations sociales, elle pourrait fort bien, elle aussi, être changée en *chuk oluk* des mers.

Parmi les plus importantes de ces obligations, mentionnons celle de fournir aux téléspectateurs des petites agglomérations éloignées la gamme d'émissions la plus étendue possible. Je ne suis pas impressionné outre mesure lorsque les habitants de Toronto affirment que la télévision se contente de ressasser des lieux communs et que les gens vivant dans des agglomérations éloignées sont chanceux de devoir s'en passer. De telles affirmations ne sont en fait que les rationalisations quelque peu hypocrites de gens privilégiés qui peuvent capter, directement sur les ondes, les émissions de quatorze stations de télévision, et qui se font dire par une compagnie de câble de

Toronto: "La touche magique vous donne accès à 23 canaux".

Tout doit être tenté pour fournir aux téléspectateurs des centres éloignés le choix d'émissions le plus vaste possible. J'espère que l'industrie de la câblodiffusion contribuera à la poursuite de cet objectif en étendant ses services jusqu'à ces agglomérations. Je reconnais toutefois que ces localités aux populations faibles et dispersées ne constituent pas les marchés les plus lucratifs.

Voilà pourquoi nos politiques inciteront les entreprises de câblodiffusion, particulièrement les plus grandes et les plus riches, à prendre part à des ententes en vue de partager le coût des liaisons micro-ondes. Dans certains cas vous pourriez être contraints d'assurer vos services dans plusieurs municipalités, grandes et petites, afin d'atteindre cet objectif. Dans d'autres cas, l'interfinancement entre grandes et petites entreprises pourrait s'avérer nécessaire. La politique à suivre variera, bien sûr, d'une région à l'autre. Mais le désir du gouvernement de mobiliser l'industrie du câble dans le but d'étendre les services de radiodiffusion n'en demeurera pas moins constant.

Par ailleurs, il ne faut pas que les compagnies de câblodiffusion se contentent d'offrir un plus grand choix d'émissions aux téléspectateurs des petites localités éloignées. Alors que de grandes métropoles comme Toronto et Montréal sont inondées d'émissions locales, bon nombre de petits centres ne possèdent même pas un seul radiodiffuseur local. Cette injustice fondamentale peut entraîner des conséquences graves, surtout lorsque la câblodiffusion se met à retransmettre des signaux éloignés jusque dans ces localités. La vie de

ces petites communautés est alors très souvent noyée par cette subite invasion de valeurs métropolitaines. Il en résulte une espèce d'entropie collective, une dissipation lente mais inévitable des énergies locales qui donnaient à ces petits centres leur véritable identité. Ne rien faire pour ces communautés, ce serait provoquer la destruction de cette diversité sociale et culturelle qui distingue le Canada des Etats-Unis.

Je crois que la câblodiffusion peut contribuer grandement à corriger cette situation. Dans les agglomérations qui ne possèdent pas de radiodiffuseur local mais disposent d'un système de câblodiffusion, le câble peut et devrait mettre au service de la population un canal communautaire dynamique répondant aux besoins locaux. Je ne veux évidemment pas dire que les câblodiffuseurs desservant ces petites agglomérations devraient remplir toutes les fonctions d'un radiodiffuseur local. Ce serait impossible. Je suis cependant assuré que le fait de fournir des nouvelles locales et de couvrir les événements culturels et sportifs de la région, de même que les assemblées de citoyens, ne serait pas un fardeau excessif pour l'industrie du câble.

Je reconnais évidemment que ces agglomérations ne sauraient fournir d'elles-mêmes suffisamment de fonds pour soutenir un canal communautaire vraiment dynamique. Mais je suis convaincu que l'industrie du câble dans son ensemble peut fournir les fonds nécessaires à de tels services. Si vous voulez jouer un rôle actif dans notre système de radiodiffusion canadien, vous ne pouvez vous soustraire à cette obligation. Les différents mécanismes de partage des coûts dont j'ai fait mention ne sont qu'un moyen d'atteindre cet

objectif. D'autres arrangements coopératifs entre les membres de votre association sont également possibles. Inutile de dire que j'accueillerai avec empressement toutes vos suggestions sur le sujet, car ces innovations constituent, à mon avis, un pas nécessaire vers l'objectif principal de nos politiques en matière de communications, à savoir l'intégration dynamique de la câblodiffusion dans l'ensemble du système canadien de radiodiffusion.

Le câble présente un autre avantage, celui de conférer un même niveau d'utilité aux différentes parties du spectre des fréquences radioélectriques. A l'heure actuelle, plusieurs stations de télévision ont l'air de considérer la bande UHF comme un second choix de piètre qualité. J'espère que cette façon de voir changera au fur et à mesure que la câblodiffusion prendra de l'expansion.

Etant donné la qualité de réception et de retransmission dont la plupart des systèmes de câblodiffusion sont capables, la radiodiffusion dans la gamme UHF est maintenant devenue, dans plusieurs centres urbains, tout aussi efficace que la radiodiffusion VHF. En fait, à l'heure actuelle, CITY-TV et Global Television diffusent toutes deux dans la gamme UHF à Toronto. Et, à cause du taux élevé de pénétration du câble, elles sont en mesure de concurrencer avec succès les stations qui utilisent la bande VHF.

On encouragera également l'industrie du câble à explorer les nouveaux rôles qu'elle peut jouer à l'intérieur du système canadien de radiodiffusion. A l'heure actuelle, le spectre des fréquences radioélectriques est sérieusement encombré dans nos grands centres. Le câble offrant en quelque sorte un spectre de rechange, il contribue à soulager l'encombrement des ondes. En fait,

dans les villes où le niveau de pénétration de la câblodiffusion est élevé, il est maintenant possible, du point de vue technique comme du point de vue social, de relier directement les stations de radiodiffusion aux systèmes de câblodiffusion. On devrait étudier sérieusement cette possibilité, parce qu'elle permettrait de libérer le spectre des fréquences radioélectriques pour d'autres usages qui nécessitent la réception directe. Par exemple, au lieu d'assigner nos canaux VHF aux principales régions urbaines, nous pourrions encourager une politique visant à desservir les régions urbaines à l'aide du câble et à implanter des émetteurs dans les régions rurales où le service de câblodiffusion n'est pas disponible.

Je suis également conscient du fait qu'en dehors du domaine de la radiodiffusion, les câblodiffuseurs sont très désireux d'offrir des services spéciaux de loisirs et d'information. On doit étudier l'implantation de ces nouveaux services avec une grande prudence. La télévision à péage offre, par exemple, un service qui n'est ni très nouveau ni très novateur et il faudra la soumettre à une évaluation particulièrement soignée.

Bien que ses possibilités commerciales soient sans aucun doute énormes, la télévision à péage, telle qu'elle est conçue à l'heure actuelle, ne fait qu'exiger de l'argent pour des services à peu près semblables à ceux que nous offre la télévision classique. Les programmes qui nous sont présentés le plus souvent à la télévision sont ceux de la catégorie sports et loisirs. Et c'est précisément ce secteur que les fournisseurs de télévision à péage exploitent le plus. Telle que conçue à l'heure actuelle, la télévision à péage entrerait en

concurrence directe avec les entreprises publiques et privées de radiodiffusion pour ce qui est des revenus vitaux qui proviennent du reportage des événements sportifs et de la production de programmes de variétés, or les radiodiffuseurs ont besoin de ces revenus pour atteindre leurs autres objectifs de programmation. Nous devons donc assurer la protection des services existants. Et nous ne saurions permettre en aucun cas que l'on écrème les revenus du système actuel de radiodiffusion au profit de la télévision à péage. Le système canadien de radiodiffusion est essentiel à la réalisation de nos objectifs en matière de télécommunications, et le gouvernement canadien ne permettra pas qu'il devienne un service de second ordre.

En terminant, j'aimerais vous rappeler à nouveau qu'au yeux du gouvernement fédéral, la câblodiffusion et l'ensemble du système canadien de télécommunications doivent absolument être mis au service d'objectifs sociaux. C'est là une pierre d'assise de nos politiques en matière de télécommunications. Comme nous l'écrivions dans notre dernier document sur les objectifs du gouvernement en matière de télécommunications: "L'une des principales pré-occupations du gouvernement est de s'assurer que, dans le domaine des télécommunications, le développement et l'utilisation d'une nouvelle technologie fassent l'objet d'un choix conscient où prime le souci de maintenir un sain équilibre entre, d'une part, l'emploi économique de ressources rares et, d'autre part, le développement d'une gamme aussi large que possible de services publics vraiment efficaces".

Le gouvernement fédéral a l'intention de s'assurer que la réglementation future des services de télécommunications, y compris la câblodiffusion, maintiendra un sain équilibre entre les intérêts et les besoins du public, d'une part, et la vigueur économique du secteur privé, d'autre part.

Permettez-moi de vous répéter encore une fois que cet équilibre demande l'intégration complète de la câblodiffusion dans l'ensemble de notre système de radiodiffusion. Je sais que dans le passé vous vous êtes considérés comme des "hybrides", des "retransmetteurs" ou des "sociétés exploitantes locales à large bande". Mais je ne peux être d'accord. Vous n'êtes ni des retransmetteurs passifs de signaux, ni des hybrides, ni des sociétés exploitantes locales à large bande. À mon avis, vous êtes une partie distincte, importante et intégrale de notre système de radiodiffusion. Et, à ce titre, vous avez l'importante responsabilité de contribuer à la promotion des objectifs sociaux du Canada en matière de télécommunications.

Comme ministre des Communications, je tiens à vous assurer que le gouvernement fédéral appuiera toute initiative de l'industrie de la câblodiffusion qui répondra vraiment aux besoins de la population du Canada.



STATEMENT GIVEN BY

THE HONOURABLE GERARD PELLETIER,

FEDERAL MINISTER OF COMMUNICATIONS

TO THE

SECOND FEDERAL-PROVINCIAL CONFERENCE OF MINISTERS

RESPONSIBLE FOR COMMUNICATIONS

OTTAWA, JULY 15-16, 1975



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Gentlemen:

The current federal-provincial consultations on communications policy began more than two years ago when, in March 1973, the Federal Government published a position paper entitled Proposals for a Communications Policy for Canada. This Green Paper was designed to stimulate the type of exchange of views in which we have been engaged since that time. The following November we held the first Federal-Provincial Conference on Communications, at which there was an initial exchange on the contents of the Green Paper and on the position papers of the provincial governments which were presented at that Conference. Five months later I travelled across Canada for follow-up bilateral discussions with each provincial Minister. In addition to exchanges of correspondence, a number of you have met with me individually in Ottawa during the past year. In light of opinions expressed by you and your officials, and following further discussion of the issues with

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my Cabinet colleagues, the Federal Government published last April its position paper entitled Communications: Some Federal Proposals. The Grey Paper, as it has come to be known, contains a number of proposals for federal legislation in the field of telecommunications.

These proposals provide for a continued strong federal presence in the field of telecommunications, while allowing for an effective provincial role in the regulation of various communications activities across Canada. They are intended to provide for a greater harmonization of communications policies by both orders of government, and to allow for more direct provincial involvement in federal communications matters. At the same time, they do not encroach upon existing areas of provincial jurisdiction.

At the first session of this Conference last May I was admittedly disappointed that you did not demonstrate a great deal of interest in these proposals of the Federal Government. I believe it is fair to say that your collective view was that they do not go far enough. You did, however, table three 'consensus' counter proposals dealing with broadcasting, cable television and the common carriers.

We discussed those counter proposals in some detail last May, under the agenda item entitled 'Roles and Responsibilities', and spent rather less time discussing some of the

federal proposals. Because of the importance of the issues confronting us, and the apparent irreconcilability of our respective positions at that time, we agreed to adjourn the Conference, and to meet again in July to complete our work.

I trust I can speak for all of us in saying that the two month interlude has been beneficial. During their two day meeting in June our officials were able to clarify many points of detail on our respective proposals, and to do some useful work on the terms of reference for the proposed Committee on Communications Policy. All of us have now had sufficient time to consider in depth the ramifications of the various proposals and counter proposals, and should be prepared to make some hard decisions.

With regard to your three proposals, I must say frankly that I still believe that what you are asking for is unrealistic. As I indicated last May, your proposals even go beyond the terms of reference of this Conference because the implementation of each of them would involve a transfer of jurisdictional responsibilities. Such transfers would require constitutional amendment, and accordingly can only be appropriately considered at a Conference of First Ministers.

In any event to those who would question the Federal Government's understanding of the existing constitutional division of responsibilities in the field of telecommunications, I would suggest that another method of resolving such questions is through recourse to the courts; that is exactly what is being done at the present time with regard to the question of regulation of community antenna television undertakings.

I have indicated repeatedly that I do not have the authority to discuss constitutional changes, and that if you continue to believe such a discussion should take place, whether under the general heading of 'Roles and Responsibilities' or more specifically with regard to your consensus proposals, you will no doubt wish to suggest to your First Ministers that such constitutional questions be raised in another forum. One should not, however, be optimistic that agreement could be reached with regard to such constitutional changes.

I do not, having said that, wish to leave the impression that we have not given serious consideration to your three

proposals. On the contrary, we have examined them in detail and, leaving aside constitutional matters, we are certainly prepared to discuss these proposals, or variants on them which may appear more practicable. This does not mean that we can subscribe to them as currently formulated, because we believe that in fact they would effectively remove the Federal Government from a substantial role in telecommunications.

The proposal pertaining to broadcasting is a case in point. The Parliament of Canada has exclusive legislative authority over broadcasting and it is essential that this authority be retained, in order, to quote from the Grey Paper, "... that Canada shall continue to have a broadcasting system that preserves and strengthens the social, cultural, political, and economic fabric of Canada." I was somewhat taken aback by an advertisement of a citizens' group which appeared in the Globe and Mail shortly after the session in May which stated that we were proposing to relinquish regulatory control over broadcasting. The advertisement concluded with the rhetorical question "Do we really want ten CBC's instead of one?" To set the record straight, I would repeat that it is not the intention of the Federal Government to divest itself of its responsibility for broadcasting policy in Canada. The Canadian broadcasting system is national in scope, the structure and balance of this system is so delicate that I believe it would be unrealistic to allow the fragmentation which would result if your proposal for split federal-provincial jurisdiction were implemented. I do believe,

however, that within the proposed Committee on Communications Policy we should be able to agree on consultative arrangements to facilitate planning for the future development of broadcasting in Canada, which will take full account of regional and provincial concerns and priorities.

Your proposal for the transfer of regulatory jurisdiction over federally regulated telecommunications carriers other than CN/CPT, Telesat Canada and COTC, is based on what you refer to as "a matter of principle" - that all telecommunications common carriers "having their facilities located substantially within the boundaries of a single province" should be provincially regulated.

If we leave aside, for a moment, theoretical arguments as to what may or may not be the case "as a matter of principle", there may be something in this view, provided we are very clear both as to the federal responsibilities for the national aspects of the system and as to what is meant by a carrier which is essentially intra-provincial. Clearly, we have recognized the provincial interest to the extent that we have agreed to explore this area with our friends from British Columbia and Newfoundland. We also, of course, recognize the fact of provincial regulation or ownership in a number of other provinces and we seek no change in this situation.

We do not agree, however, that the case of Bell Canada can be looked at in the same way. Bell operates in

Quebec, Ontario and the North West Territories and exercises a central role in the Canadian telephone system. It is not, as a matter of fact, operating or located essentially within one province and, as we see it moreover, this fact cannot be changed by the stroke of a pen leading to new corporate arrangements. This is not to say that we do not recognize another fact - provincial or local interest - and this is why we have provided for cooperative arrangements in this area with Quebec and Ontario and why we are prepared to discuss other measures which may be of interest to them.

Your proposal calling for a transfer of regulatory control to the provinces over all aspects of cable distribution systems and services, with the exception of federal broadcast services, has been the subject of particularly close federal analysis. As you know, in the Grey Paper we have suggested measures designed to ensure more effective provincial involvement in the regulatory process through a new approach to CRTC appointments and hearings, and we have solicited specific proposals for practicable arrangements designed to give the provinces "a greater share in the process of licensing and regulating broadcast receiving undertakings". From our perspective the operative word in any such arrangements is "share", for reasons that are familiar to you; we hold as fundamental the proposition that cable distribution systems must continue to be regarded as broadcasting receiving undertakings forming an integral part of a national broadcasting system, and not as local systems as you suggest in your proposal. That

is a significant difference in our two positions. I believe, however, some accommodation may be reached in this area, either through bilateral discussions or within the CCP, when we give detailed consideration to proposals, such as those presented last May by the Governments of Ontario, Saskatchewan and British Columbia.

These are some of the reasons why we believe that your three proposals will not achieve our common ends. Nevertheless, as I have said earlier, we are certainly prepared to review as thoroughly as we can in the CCP or bilaterally any proposals in these areas which appear to have a realistic chance of meeting our common concerns.

I should like now to return for a moment to the Federal proposals, and attempt to summarize what it is that we have been trying to accomplish since we began our discussions two years ago.

First, we wished to establish a reasonable set of objectives for communications legislation. It was not intended that they be "national objectives" in the sense that all governments present must subscribe to them or must incorporate them into their own legislation. We were looking instead to objectives which could be included in federal legislation for the guidance of the federal executive and the federal regulator within his own sphere of competence. I emphasize "within his own sphere of competence". We had hoped, however, we would receive provincial comments and suggestions which would enable us to so prepare our own objectives that they would reflect

reasonably well the kind of concerns that might preoccupy governments in various parts of the country.

We feel that we have had a good exchange with you on the subject of objectives. A number of provinces have submitted lists of objectives or have commented upon ours, or both. We now have a better idea as to how we should proceed in this area; we are grateful for the comments and suggestions which have been made, and we will be making an effort to include them in our draft federal legislation.

Second, we put to you a number of proposals which we believe would give the provinces a greater role in planning, policy-making, and decisions which are of interest to them because of their regional, provincial or local impact. I have already made reference to one example, that is our proposal regarding the possible sharing of decision-making authority with respect to the regulation of cable television undertakings. The fundamental purpose underlying these proposals was to share responsibility with you. The purpose was not to formally transfer jurisdictional authority, either from the Federal Government to the provinces, or from the provinces to the Federal Government. We believe, however, that through the administrative mechanisms and consultative procedures proposed in the Grey Paper a partnership could be developed which would be of benefit to both levels of government, and, more important, to Canadians across the country.

I am referring to such administrative arrangements as that whereby provinces would have a say in the appointment of members of the federal regulatory body, and that by which representatives of the regulatory bodies of Ontario and Quebec would be entitled to participate in hearings and deliberations of the federal Commission on matters related to Bell Canada. Proposed consultative mechanisms would include a provision in our second phase legislation which would empower the federal Commission to consult a provincial regulatory body in advance of a rate hearing that could have important implications for the system in that province. They would also include the establishment of a forum at ministerial level, and at the regulatory level, which would enable decisions to be taken when a consensus existed, but which would not necessarily bind participants in the discussion. Such procedures would, in my opinion, contribute to the process of productive ongoing consultation and harmonization of telecommunications policies in Canada.

I have suggested more than once that such procedures and arrangements, which respect the present jurisdictional pattern in Canada, represent the most realistic approach to the problems that confront us. This is what we are proposing and we hope you would be prepared to negotiate in these terms.

Federal legislation will in no way impede this process. You will be aware from a reading of the Grey Paper, which outlines the direction which federal legislation will take, that the proposed statute will be permissive in nature.

This is an important point. What I mean by "permissive" is that the statute will permit the Minister of Communications within federal jurisdiction, and the federal regulatory body, again within federal jurisdiction, to take certain actions or be responsible for certain functions. This is important, because although the Federal Executive recognizes there are a number of possible areas in which provincial governments believe we should move, it is not possible to do so under present legislation, and will not be possible until the permissive arrangements of which I speak are included in a new statute. This by itself would be sufficient reason for wishing to get on with the job. Beyond this, however, as I already indicated, the interests of the Canadian people are such that we cannot afford to delay longer.

We have therefore come to a watershed. After these months -- even years -- of consultation and debate, we have an obligation to provide results. We can no longer delay the implementation of those changes that are necessary to prevent events from outstripping our capacity to deal with them effectively. Nor can we any longer claim not to know or understand one another's concerns and interests.

Phase one legislation, which will transfer the existing powers of the Telecommunications Committee of the Canadian Transport Commission to an enlarged Canadian Radio-television

Telecommunication Commission has been approved by Parliament. We must now move to the next stage through the enactment of phase two legislation. In preparing this legislation I believe the Federal Government has more than fulfilled its obligation to inform provincial governments of its legislative intentions and to discuss matters of substance of mutual concern that will be dealt with in that legislation.

I would hope that when our second phase legislation is introduced it will receive your support and that you will agree this lengthy federal-provincial consultative process has been worthwhile. I would further hope that the process will continue in the post legislative phase, preferably within the Committee on Communications Policy.



EXPOSE PRESENTE PAR
L'HONORABLE GERARD PELLETIER
MINISTRE FEDERAL DES COMMUNICATIONS
A LA
DEUXIEME CONFERENCE FEDERALE-PROVINCIALE
DES MINISTRES RESPONSABLES DES TELECOMMUNICATIONS
OTTAWA, LES 15 ET 16 JUILLET 1975



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Messieurs,

Les consultations fédérales-provinciales en cours sur la politique des télécommunications ont débuté il y a plus de deux ans, lorsqu'en mars 1973, le gouvernement fédéral a publié un exposé intitulé "Vers une politique nationale de la télécommunication". L'objectif de ce Livre vert était de promouvoir le genre d'échange de vues auquel nous nous sommes livrés depuis lors. En novembre 1973, nous avons tenu la première Conférence fédérale-provinciale sur les télécommunications, au cours de laquelle nous avons eu un premier échange de vues sur le contenu du Livre vert, ainsi que sur les prises de position présentées par les divers gouvernements provinciaux dans le cadre de cette conférence. Cinq mois plus tard, j'ai visité toutes les provinces du Canada afin d'entamer avec chacun de mes homologues provinciaux des discussions bilatérales en vue de donner suite à cette conférence. En plus des lettres échangées, j'ai eu le plaisir d'accueillir personnellement la plupart d'entre vous à Ottawa, au cours de la dernière année. A la lumière de vos opinions et de celles exprimées par vos représentants, et après avoir examiné plus en profondeur les questions en cause avec mes collègues du Cabinet, le gouvernement fédéral a publié, au mois d'avril dernier, son exposé intitulé "Télécommunications: quelques propositions fédérales". Ce document, appelé familièrement Livre gris, contient un certain nombre de propositions relatives à la législation fédérale en matière de télécommunications.

Ces propositions prévoient que le gouvernement fédéral continuera à exercer un rôle important dans le domaine des télécommunications, tout en

permettant aux provinces de participer efficacement à la réglementation de divers aspects des télécommunications à travers le Canada. Le but de ces propositions est d'assurer une meilleure harmonisation des politiques adoptées par les deux niveaux du gouvernement, et de permettre aux provinces de participer plus directement à l'étude de questions de télécommunications relevant de la juridiction fédérale. Par ailleurs, ces propositions n'empiètent d'aucune façon sur les secteurs qui sont actuellement de juridiction provinciale.

Lors de la première session de la présente conférence, en mai dernier, j'admets avoir été déçu du peu d'intérêt que vous avez manifesté à l'égard des propositions du gouvernement fédéral. Je crois qu'il est juste de dire que votre point de vue collectif était que ces propositions n'allaient pas assez loin. Et vous avez par la même occasion déposé d'un commun accord trois contre-propositions portant sur la radiodiffusion, la câblodiffusion et les sociétés exploitantes.

Nous avons discuté, de façon assez détaillée, ces contre-propositions au cours de la session du mois de mai dernier, lorsque nous avons traité de la question à l'ordre du jour intitulée "Rôles et responsabilités". Par contre, nous avons consacré beaucoup moins de temps à étudier certaines propositions fédérales. En raison de l'importance des questions auxquelles nous avions à faire face et, compte tenu du fait qu'il semblait alors impossible de concilier nos points de vue respectifs, nous avons convenu d'ajourner la conférence et de nous réunir de nouveau en juillet, afin de terminer nos travaux.

Vous conviendrez sans doute avec moi que cette interruption de deux mois a été bénéfique. Au cours de la réunion de deux jours tenue en juin, nos représentants ont réussi à clarifier un grand nombre de points de détail concernant nos propositions respectives, et à faire un travail utile au sujet du mandat du Comité sur la politique des télécommunications, que nous projetons d'établir. Chacun d'entre nous a maintenant eu tout le temps nécessaire pour étudier en profondeur les ramifications des diverses propositions et contre-propositions; nous devrions donc être prêts à prendre certaines décisions difficiles.

En ce qui concerne vos trois propositions, je dois dire en toute franchise que je suis toujours convaincu que l'objet de vos demandes n'est pas réaliste. Comme je l'ai signalé au mois de mai dernier, vos propositions outrepassent même le mandat de la présente conférence, étant donné que la mise en application de chacune d'entre elles supposerait un transfert de responsabilités en matière de juridiction. De tels transferts nécessiteraient une modification constitutionnelle et, par conséquent, ils ne peuvent être étudiés que dans le cadre d'une conférence des premiers ministres.

Par ailleurs, ceux qui ne seraient pas d'accord avec la façon dont le fédéral conçoit actuellement le partage des juridictions dans le domaine des télécommunications demeurent tout à fait libres de s'adresser aux tribunaux pour faire trancher la question. C'est précisément ce que certains ont décidé de faire dans le cas de la réglementation de la câblodiffusion.

Quant à moi, j'ai signalé à plusieurs reprises que je n'ai pas les pouvoirs nécessaires pour discuter de modifications constitutionnelles. Et si vous persistez à demander qu'une telle discussion ait lieu, soit sous le titre général de "Rôles et responsabilités", soit dans le cadre d'une discussion sur vos propositions communes, je continue de soutenir qu'il vous faudra sans doute recommander à vos premiers ministres de soulever ces questions dans le cadre d'une conférence constitutionnelle. Il ne faudrait pas toutefois se montrer trop optimiste quant aux possibilités d'en arriver à un accord sur des modifications constitutionnelles de cette nature.

Cela dit, je ne veux pas vous donner l'impression que nous n'avons pas pris vos trois propositions en sérieuse considération. Au contraire, nous les avons examinées en détail et, mises à part les questions constitutionnelles, nous sommes certainement prêts à discuter de ces propositions ou de variantes de ces propositions qui peuvent sembler plus facilement réalisables. Cela ne signifie pas que nous pouvons y souscrire telles qu'elles sont formulées actuellement, car nous sommes convaincus qu'en fait, elles enlèveraient au gouvernement fédéral une part importante du rôle qu'il joue dans le domaine des télécommunications.

Votre proposition concernant la radiodiffusion en est un exemple typique. Le Parlement du Canada détient l'autorité législative exclusive sur la radiodiffusion et il est indispensable que cette autorité soit maintenue pour "garder au pays, selon les mots mêmes du Livre gris, un système de radiodiffusion

qui préserve et renforce les structures sociales, culturelles, politiques et économiques du Canada". J'ai été quelque peu déconcerté par la mise en garde signée par un groupe de citoyens et publiée dans le Globe and Mail peu de temps après la session de mai. On y affirmait que le gouvernement fédéral se proposait de céder son pouvoir de réglementation en matière de radiodiffusion. Et le texte se terminait sur cette question quelque peu rhétorique: "Désirons-nous vraiment qu'il y ait dix Sociétés Radio-Canada au lieu d'une seule ?" Afin de rétablir les faits, je répète que le gouvernement fédéral n'a pas l'intention de se départir de sa responsabilité en ce qui a trait aux politiques en matière de radiodiffusion. Le système canadien de radiodiffusion est nettement d'envergure nationale, et la structure de même que l'équilibre de ce système sont si délicats qu'il ne serait pas réaliste d'ouvrir la porte au morcellement que ne manquerait pas d'entraîner la mise en oeuvre de votre proposition, visant à séparer la juridiction entre le gouvernement fédéral et les gouvernements provinciaux. Cependant, je suis convaincu qu'au sein du Comité sur la politique des télécommunications, nous devrions éventuellement être en mesure de nous entendre sur des procédures de consultation en vue de faciliter la planification du développement de la radiodiffusion au Canada, qui tiendront entièrement compte des préoccupations et des priorités régionales et provinciales.

Votre proposition visant au transfert de la juridiction sur les sociétés exploitantes de télécommunications réglementées par le gouvernement fédéral, sauf les Télécommunications du CN-CP, Télésat Canada et la S.C.T.T., se fonde sur ce que vous appelez "une question de principe". Selon ce principe

"toutes les sociétés exploitantes des télécommunications dont une partie importante des installations est située à l'intérieur des limites d'une seule province" devraient être réglementées par les provinces.

Si nous laissons de côté, pour l'instant, les arguments théoriques et si l'on n'en fait pas une "question de principe", ce point de vue peut comporter un certain élément positif, à condition que l'on reconnaisse clairement que les dimensions nationales du système relèvent du gouvernement fédéral et que l'on précise parfaitement ce que désigne l'expression "société exploitante essentiellement intraprovinciale". Nous avons clairement reconnu le bien fondé des intérêts provinciaux en ce domaine, si bien que nous avons convenu d'approfondir cette question avec nos homologues de la Colombie-Britannique et de Terre-Neuve. De plus nous reconnaissons, de toute évidence, le fait de la réglementation et de la priorité provinciales dans un certain nombre de provinces. Et il n'est pas dans nos intentions de chercher à modifier cette situation.

Cependant, nous ne croyons pas que le cas de Bell Canada puisse être envisagé dans cette perspective. Bell Canada assure des services téléphoniques au Québec, en Ontario et dans les Territoires du Nord-Ouest et joue un rôle déterminant dans l'ensemble des services téléphoniques canadiens. En fait, ses activités de même que ses équipements ne sont pas circonscrits, pour l'essentiel, dans les limites d'une seule province. Et cette situation, du reste, ne peut être modifiée d'un trait de plume qui changerait la structure corporative de cette société. Ceci ne veut pas dire que nous ne reconnaissons pas d'autres

facteurs, tel l'intérêt provincial ou local. C'est pourquoi nous avons prévu des arrangements coopératifs avec le Québec et l'Ontario dans ce domaine, et nous sommes prêts à discuter avec ces provinces d'autres mesures susceptibles de les intéresser.

Votre proposition visant à transférer aux provinces la réglementation de toutes les questions relatives aux systèmes et aux services de câblodiffusion, à l'exception des services de radiodiffusion fédéraux, a fait l'objet d'une analyse particulièrement minutieuse de la part du gouvernement fédéral. Dans le Livre gris, nous avons proposé, comme vous le savez, des mesures destinées à permettre aux provinces de participer plus efficacement au processus de réglementation. Et cela, grâce à une nouvelle approche en ce qui concerne la nomination des membres et la tenue des audiences du nouveau C. R. T. C. Nous avons aussi ajouté que le gouvernement serait disposé à discuter les arrangements d'ordre pratique que les provinces pourraient proposer et qui leur donneraient "un plus grand rôle en matière d'émission de permis et de réglementation des entreprises de réception de radiodiffusion". Selon notre point de vue, c'est l'expression "un plus grand rôle" qui importe dans des arrangements de ce genre, pour des raisons que vous comprendrez facilement. Nous tenons pour fondamentale la proposition selon laquelle tout système de câblodiffusion doit continuer d'être désigné comme une entreprise de réception de radiodiffusion, faisant partie intégrante d'un réseau national de radiodiffusion, et non pas comme un système local, selon ce que votre proposition recommande. Voilà une différence importante entre votre point de vue et le nôtre. Toutefois,

je pense qu'il sera possible de parvenir à un compromis dans ce domaine, soit par des discussions bilatérales, soit par le biais du Comité sur la politique des télécommunications, lorsque nous considérons en détail certaines propositions plus particulières, comme par exemple celles déposées, en mai dernier, par les gouvernements de l'Ontario, de la Saskatchewan et de la Colombie-Britannique.

Ce sont là certaines des raisons pour lesquelles nous pensons que vos trois propositions ne favoriseraient pas la poursuite de certains objectifs sur lesquels, je crois, nous sommes déjà d'accord. Néanmoins, comme je l'ai dit tout à l'heure, nous sommes certainement disposés à étudier à fond, grâce à des discussions bilatérales, ou encore au sein du Comité sur la politique des télécommunications, toute suggestion touchant les trois domaines visés par vos propositions, pourvu qu'elle ait quelque chance de satisfaire nos intérêts communs.

J'aimerais maintenant revenir un instant aux propositions fédérales, et tenter de résumer ce que nous avons essayé d'accomplir depuis que nous avons amorcé nos discussions il y a deux ans.

Tout d'abord, nous voulions établir un ensemble raisonnable d'objectifs susceptible d'orienter notre législation en matière de télécommunications. Il n'entrait pas dans nos vues de faire de ces objectifs des "objectifs nationaux", c'est-à-dire d'obliger tous les gouvernements en cause à y souscrire ou à les incorporer dans leur propre législation. Nous envisagions plutôt des

objectifs qui pourraient être inclus dans notre législation pour la gouverne des autorités fédérales et de l'organisme fédéral de réglementation "dans les limites de sa propre sphère de compétence". J'insiste sur l'expression "dans les limites de sa propre sphère de compétence". Toutefois, nous avons espéré que les provinces nous feraient parvenir des remarques et des suggestions, pour nous aider à définir nos propres objectifs de façon à tenir compte des questions susceptibles d'intéresser les gouvernements des diverses provinces du pays.

Nous pensons que nos discussions sur la question des objectifs ont été très profitables. Un certain nombre de provinces nous ont présenté leur liste d'objectifs, ou nous ont fait part de leurs commentaires sur les nôtres; d'autres provinces ont fait les deux à la fois. La formulation de nos objectifs y a gagné en rigueur et en précision. Nous vous remercions des observations et des suggestions que vous avez faites, et nous mettrons tout en oeuvre pour les inclure dans notre projet de législation fédérale.

Nous désirons maintenant vous présenter un certain nombre de propositions qui, selon nous, donneraient aux provinces un rôle accru en matière de planification, d'élaboration de politiques et de prise de décisions, dans les domaines qui intéressent les provinces, à cause de leurs répercussions régionales, provinciales ou locales. Un exemple du genre serait notre proposition d'un partage éventuel des pouvoirs de décision en matière de réglementation des entreprises de câblodiffusion. L'objectif fondamental de ces propositions

était de partager nos responsabilités avec vous. Il ne s'agissait donc pas de procéder à un transfert officiel des pouvoirs en matière de juridiction, soit du gouvernement fédéral aux provinces, soit des provinces au gouvernement fédéral. Toutefois, nous pensons que grâce aux mécanismes administratifs et aux procédures de consultation proposés dans le Livre gris, il serait possible d'établir une forme d'association et de partage des responsabilités qui serait à l'avantage des deux niveaux de gouvernement et, ce qui plus est, à l'avantage de tous les citoyens du pays.

Je me reporte à certains arrangements administratifs qui permettraient aux provinces d'avoir leur mot à dire dans la nomination des membres de l'organisme fédéral de réglementation, et aux arrangements grâce auxquels des représentants des organismes de réglementation de l'Ontario et du Québec pourraient être autorisés à participer aux audiences publiques et aux délibérations privées du conseil fédéral, sur des questions relatives à la société Bell Canada. Les mécanismes de consultation proposés comprendraient, dans la deuxième étape de la législation, une disposition en vertu de laquelle le conseil fédéral aurait le pouvoir de consulter l'organisme de réglementation de l'une ou l'autre province, avant la tenue de toute audience sur les tarifs qui pourrait avoir pour elle d'importantes répercussions. Ces mécanismes comprendraient aussi l'établissement d'un comité ministériel et d'une association des organismes de réglementation, qui permettraient de prendre des décisions lorsqu'il y a consensus sans obliger nécessairement les participants à s'y conformer. A mon avis, de telles procédures faciliteraient, à la fois la productivité et la continuité du processus de consultation et l'harmonisation des

politiques en matière de télécommunications au Canada.

J'ai maintes fois exprimé l'avis que de telles procédures et de tels arrangements, respectueux des juridictions actuellement en vigueur au Canada, représentent l'approche la plus réaliste aux problèmes auxquels nous devons faire face. Nos propositions vont donc en ce sens, et nous espérons que vous serez disposés à négocier dans cette optique.

Ce processus ne sera nullement entravé par la législation fédérale. Vous vous rendrez compte, à la lecture du Livre gris, qui expose les intentions de la législation fédérale, que la loi proposée est conçue de façon à permettre une grande latitude. Ce dernier point est important. J'entends par "latitude" le fait que la loi permettra au ministre des Communications, dans les limites de la juridiction fédérale, et à l'organisme fédéral de réglementation, encore une fois dans les limites de la juridiction fédérale, de prendre un certain nombre de dispositions ou d'être responsables de certaines fonctions. Ce point est important. Le pouvoir exécutif du gouvernement fédéral reconnaît en effet que les gouvernements provinciaux ont raison de nous demander de prendre en charge un certain nombre de domaines. Mais il nous est impossible de le faire dans l'état actuel de la législation, et il nous sera impossible de le faire tant qu'une nouvelle loi ne nous aura pas accordé le genre de latitude dont je viens de parler. Cette seule raison suffirait à nous inciter à aller de l'avant. Toutefois, comme je l'ai déjà mentionné, une autre considération s'impose: les intérêts du peuple canadien sont tels que nous ne pouvons pas nous permettre

d'attendre plus longtemps.

Le moment de vérité a donc sonné. Après ces mois, ces années même, de consultation et de discussion, nous nous trouvons dans l'obligation d'aboutir à un résultat. Nous ne pouvons plus retarder la mise en oeuvre des modifications qui sont nécessaires pour empêcher que les événements ne dépassent notre capacité d'y faire face efficacement. Nous ne pouvons pas, non plus, prétendre ne pas connaître ou ne pas comprendre les préoccupations et les intérêts de chacun d'entre nous.

Le Parlement a approuvé la première étape de la législation qui transférera les pouvoirs dont dispose présentement le Comité des télécommunications de la Commission canadienne des transports, à un organisme plus vaste, soit le Conseil de la radiodiffusion et des télécommunications canadiennes. Nous devons maintenant aller de l'avant et procéder à la promulgation de la deuxième étape de la législation. En préparant cette législation, le gouvernement fédéral, à mon avis, s'est amplement acquitté de l'obligation qui lui incombait d'informer les gouvernements provinciaux de ses intentions, et de discuter avec eux des questions importantes d'intérêt mutuel qui seront traitées dans cette législation.

J'ose espérer qu'après son introduction, vous appuierez la deuxième étape de la législation, et que vous conviendrez que ce long processus de consultations fédérales-provinciales en valait la peine. J'ose espérer également

que ce processus se poursuivra même après la promulgation de la loi, de préférence au sein du Comité sur la politique des télécommunications.

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CURRENT ISSUES IN CANADIAN BROADCASTING:

U.S. BORDER STATIONS

NOTES FOR A SPEECH

BY MR. JIM FLEMING, M.P.

PARLIAMENTARY SECRETARY

MINISTRY OF COMMUNICATIONS

TO THE BROADCAST EXECUTIVES' SOCIETY

TORONTO

NOVEMBER 26, 1975



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NOTES FOR A SPEECH BY JIM FLEMING, M.P.,
TO THE BROADCAST EXECUTIVES' SOCIETY

- Toronto, November 26, 1975

CURRENT ISSUES IN CANADIAN BROADCASTING - U.S. BORDER STATIONS

I have decided to speak to you today about the current controversy over Canadian efforts to strengthen our broadcasting system. I am referring, of course, to the measures being employed by the Government and by the Canadian Radio-Television Commission to encourage Canadian advertisers to spend their money in Canada rather than on U.S. border stations.

The CRTC has encouraged Canadian cable operators to delete commercial content from the U.S. signals they carry. Parliament has just given second reading to Bill C-58, which among other things will prevent Canadian taxpayers from deducting as a business expense the cost of advertising on broadcasting stations located outside Canada. These two measures have the same purpose: to make advertising on U.S. border stations unattractive to Canadians. Of course, this is not an end in itself - the ultimate object is to make more money available to Canadian broadcasters, in order to stimulate Canadian program production and in some cases to ensure the very survival of Canadian stations.

The response to these two measures has been extreme and in some quarters hysterical. In Canada, editorial writers have called commercial deletion "thievery" and "piracy", while some of my more misguided colleagues in the House have been quick to cry out "censorship".

In the United States, the affected border stations have mobilized their ample resources and used their powerful political connections to create a campaign against the Canadian policies. House Subcommittee hearings have been held, Mr. Kissinger has been brought into the fray, and legal suits were brought in Canadian courts. The heights, or depths, of hysteria were reached when the Buffalo stations held a press conference in Toronto to publicize their threat to jam their own signals. And now, the latest move seems to be an attempt to interfere with the process by which Canadian broadcasters purchase the right to show American programs in Canada.

What I would like to do today is to tell you what my conception of the problem is, and why I think that the Government and the CRTC are totally justified in defending Canadian broadcasters in the way they have. And in doing so, I hope I can clear up some of the confusion and misrepresentations that have been muddying the whole issue.

To start with, let's put the problem in perspective by recalling a few basic facts about Canada and the Canadian broadcasting system. About 80% of all Canadians live less than 100 miles from the United States border. About 50% of all Canadians can receive American broadcasting signals in their homes directly off-air. The Canadian population is 20-odd million, the U.S. population more than ten times greater.

Those are the facts we cannot change - that is, the environment in which Canadian broadcasters have had to operate. The Canadian broadcasting system has always been faced with competition from

across the border, from networks which draw on the resources offered by the huge U.S. market. Last year, the U.S. broadcasting system's gross advertising revenues were over \$4 billion. Canadian stations made do with about \$200 million.

In these circumstances, it is not surprising that Canadian programs are produced with smaller budgets. Nor would one expect it to be easy for Canada to develop its own unique, independent broadcasting system. Yet, such a system has long been recognized as essential to the existence of Canada as a strong nation with a sense of its own identity. This principle has been accepted in modern times by every Government of Canada, whether Conservative or Liberal. The Government recognized this in 1968 when it brought in the Broadcasting Act and created the CRTC. It recognized that Canada needed a broadcasting system which is able to provide an outlet for Canadian self-expression and which allows Canadians from Victoria to St. John's to get to know each other. It also recognized that without strong encouragement, such a broadcasting system could not be created in the face of the massive influx of U.S. culture from across the border.

Of course, the domination of American culture in broadcasting doesn't stem from any evil intentions on the part of U.S. television stations. It's simply a matter of economics, and it results from the simple facts I outlined earlier about the relative sizes of the U.S. and Canadian markets. But, just because the situation is accidental doesn't mean we can ignore it.

All Canadians should be concerned about the effects of American dominance in our media. Lester B. Pearson put it better than I can, 2 days before he retired as Prime Minister:

"The industrial and economic and financial penetration from the south worries me, but less than the penetration of American ideas, of the flow of information about all things American; American thought and entertainment; the American approach to everything."

Put simply, are we to exist in the future as a cultural satellite of the U.S.? The answer to that question was given in 1968, and I suggest to you that since that time great strides have been made, under the guidance of the CRTC, towards ensuring that Canadian broadcasting isn't just a reflection of what is on American TV screens.

The CRTC's efforts to create a strong and independent Canadian broadcasting system have always recognized that censorship is no answer. Denying Canadians access to American signals would be xenophobic and stupid, as well as impossible. Besides, the Canadian Government's position has always been that governments should not meddle with program content. Consequently, we have no objection to, nor have we taken any measures to hinder the availability of American signals in Canada.

But I cannot accept that U.S. stations located near the Canadian border should continue to siphon off huge sums in advertising revenues from Canada.

The annual loss to Canadian stations caused by Canadian advertising revenues going to U.S. outlets is at least \$20 million - that is about 10% of the total advertising revenues for the entire Canadian system. This loss severely hinders the development of Canadian broadcasting, it subverts the CRTC's licensing policy, it

prevents the licensing of new Canadian stations, and makes it more difficult for Canadian broadcasters to meet the goals set for them by the Broadcasting Act.

There are over fifty American television stations with significant signal spillover into Canada. About two dozen of these account for most of the annual outflow of \$20 million. And, I'm sure you are aware of which stations get most of the total:

KVOS, in Bellingham, sells about \$7 million a year in Canadian advertising. The population of Bellingham, by the way, is about 35,000. Canadian advertising account for 85 or 90 per cent of this "American" station's sales.

Three Buffalo stations, WBEN, WGR and WKBW sell about \$10 million worth of time to Canadians every year. In contrast to Bellingham, of course, Buffalo is a large American market, and could support all the stations very nicely.

It is the owners of these four stations who have been responsible for the protests against the so-called grave injustices which the Canadians are doing them. They object to the Income Tax Act amendment, of course, and I understand they will be appearing before the Standing Committee when it considers the Bill. However, the U.S. stations' attempts to persuade the American Government to object to the Bill were rebuffed, so we haven't heard much complaint recently on that item. The main object of the border stations' attack has been commercial deletion.

The Buffalo stations quite naturally are afraid of commercial deletion. It is an effective method of stopping the flow of Canadian advertising to U.S. stations because the advertiser knows he will not reach the 60% of TV sets in Toronto which are on cable. And it is doubly effective because the U.S. stations are unable to counter it, as they will attempt to counter Bill C-58, by slashing their rates to Canadians.

So, the Buffalo stations call commercial deletion "illegal" and "immoral". They haven't got far with their arguments on illegality - the Federal Court of Appeal said the CRTC had every right to require commercial deletion, and I expect the Supreme Court of Canada will say the same thing. As for their claims of "immorality", let me read to you from a statement sent to me by the President of one of the Buffalo stations, Mr. Leslie Arries:

" Our basic position is that the CRTC is attempting to make a two-sided relationship into a one-sided one, in which Canada takes our services but gives nothing in return. We don't demand payment for government licensed use of our signals by Canadian cable systems. We are satisfied to obtain our compensation by selling ads to Canadian businesses."

Well, that's very noble of them, isn't it? But it ignores the basic issue, which is that stations licensed to operate in one country should confine their activities to that country. No-one objects to signal spillover. It's unavoidable. But the whole point of a licensing system is to allocate a scarce, publicly-owned resource

such as radio frequencies in a way which will promote the public interest. In broadcasting, both the CRTC and the FCC operate on the principle that a licensee's market is entitled to a degree of protection from outside competition, in order to safeguard television service to the community.

That is why, for example, the U.S. networks treat Windsor and Detroit as being one U.S. market. The result there is that Canadian stations are not allowed to buy U.S. programs on the same terms as the rest of Canada.

That is also why the development of cable television in the U.S. has been so severely hampered by the FCC's restrictions on the carriage of distant signals. Those restrictions, I might add, were called for by broadcasters and as you are probably aware, the cable vs broadcaster dispute has recently reached new heights in the U.S.

You might be interested to know that in 1971 the FCC authorized a Pennsylvania cable system not just to delete commercials from New York signals, but to replace them with ads supplied by local stations. This approach was later rejected by the Commission, but not on moral grounds. If the situation in Buffalo were reversed, so that Toronto stations were taking advertisers away from the U.S. stations, do you think Mr. Arries would say "Oh, that's all right, they're providing a service to Buffalo and simply obtaining compensation for it by selling ads to American businesses". No, he would not - he would correctly expect the FCC to protect the market which he is licensed to serve in the public interest.

What the U.S. stations are upset about is not morality or ethics, it is MONEY. For 20-odd years they have been taking advantage of signal spillover to reap windfall profits, profits to which I maintain they are not entitled. It is money from Canadian businesses advertising to Canadian audiences, and I say that it should go to Canadian broadcasters, not just so they can get rich, but so that the integrity of Canadian broadcasting can be maintained.

It is very simple to prove that morality is not what motivates the U.S. stations. In 1974 total advertising revenues in Buffalo were about \$34 million. Half of that came from U.S. national and regional spot advertisers. Eight million came from U.S. local advertisers. The rest, about 9½ million, came from Canada and these revenues are pure gravy.

In discussions with Canadian officials over commercial deletion some time ago, the U.S. stations suggested a compromise: they said, "Feel free to delete our national advertisements, and we'll settle for what's left". Where's the morality in that suggestion? Having not paid the networks for the Canadian audience, they then go further and try to bargain away the national advertisers' interests!

The Buffalo stations are raising such an outcry only because they are afraid of losing the Canadian revenues. The Canadian advertising sales, being incremental to a fixed cost structure, are virtually pure profit, and while the Buffalo market is 28th in terms of audience size, it ranks 18th in terms of revenues.

Yet, the U.S. border stations do not even own what they are so zealously defending. When they buy program rights, they are the program rights for Buffalo. They do not have exclusive rights for Toronto - those are purchased by Toronto broadcasters. I haven't heard any of the border stations suggest that the program producers are entitled to part of the advertising revenues siphoned off from Canada.

The reaction of American stations to Canadian actions to protect the Canadian market has consisted mainly of a series of threats. The most controversial was the Buffalo proposal to jam their own signals. The rationale for this proposal ostensibly is that if the commercial value of their "product" is removed, they might as well prevent their "product" from reaching Canada. Well, quite apart from the question of whose "product" is being consumed - I say if it belongs to anyone, it belongs to the program producers - the whole jamming proposal is obviously just a threat. It is meant to scare Toronto viewers by raising the spectre of an end to U.S. signals, and thereby, put pressure on the CRTC to negotiate.

To me, the attitude of the American broadcasters to commercial deletion is inconsistent with the way they argue when they themselves are faced with competition. Look at their approach to pre-release, for example. As you know, Canadian stations have found, when buying American programs to show in Canada, that it is necessary to obtain - and pay for - pre-release rights. This is a necessary part of competing with American stations.

As a result of the recent controversy over Bill C-58 and commercial deletion, and also I fear as a result of the construction of the CN Tower, the Buffalo stations have persuaded the ABC network to apply to the FCC to have the practice of pre-release stopped. Why? - to protect their market.

The FCC has agreed to conduct an inquiry into the issue of pre-release. Of course, this does not in any way mean that the Commission either can or will interfere with the way Canadian stations buy their U.S. programming. I personally don't think they will. But they are going to inquire into the matter. Two Commissioners dissented from the decision to allow an inquiry, and a third was reluctant, saying "we may be making much ado about nothing". One of the dissenters was Glen Robinson, who had some rather apt comments on the attitude of the networks and of the Buffalo stations. He said a lot that is relevant to this issue, but here are just a few of his remarks:

"For many years, program suppliers have found that Canadian network exhibitors were willing to pay a premium to get the right to broadcast programs before the first American release. This, of course, gives the Canadians an advantage over the American stations in competing for audience. My colleagues evidently consider this to be "unfair" to American broadcasters. Exactly why this should be regarded as "unfair" is not explained and, chauvinistic reasons aside, I am at a loss to understand it. Why should Canadian broadcasters be bound to conform their broadcast schedules to suit the convenience of American competitors?

.....It should be noted that the Canadians pay fair value to the program producers for the first release rights which enable them to pre-release.

.....Unwilling ("unable" in economic terms) to purchase these rights, the American broadcasters now come to us and ask us to give it to them for free. The FCC, they appear to believe, ought to emulate Salvador Allende and/or the Tooth Fairy - we ought, that is, to expropriate property belonging to program producers and put it under the network affiliates' pillow. As a form of income redistribution, this is a novel scheme to say the least. One thinks of taxing the rich to support the needy, but that scarcely appears to be the case here. It is.... particularly ironic that so much of the concern has been focused on threatened injury to profits in the Buffalo market, given the fact that this is among the most consistently profitable markets in the country."

Commissioner Robinson, having refused to be moved by the pleas of the Buffalo stations for protection from the insidious Canadian technique of buying first release rights, gets to the root of the whole application:

"....it is noted that ABC and the Buffalo affiliates urge that the pre-release problem be viewed in the larger context of other Canadian action aimed at American broadcasters: the deletion of American advertising from U.S. programs carried on Canadian cable systems, a proposal to eliminate a tax deduction from advertising by Canadian firms on U.S. stations, and last, but not least, an 1800-foot-tall Canadian broadcast tower in Toronto. The Commission takes only passing note of these matters so we are left to conjecture as to what it considers their relevance to be to the pre-release issue. Certainly it is possible to get the impression that an assertion of our jurisdiction over pre-release is being sought, in the ancient spirit of gunboat diplomacy, as a reminder to our Canadian friends that, if they are unresponsive to the interests of American broadcasting, the FCC can deprive them of "Maude". And the threat might well be credible, too, except, of course, that it can only be carried out by depriving Norman Lear of the right to sell "Maude" in Canada, or at least of the right to sell it for the price it commands in the market. To say the least, this is a remarkable variation on traditional gunboat diplomacy: instead of sending menacing ships up the St. Lawrence we send them into Los Angeles harbor, with guns aimed at Hollywood."

So we see how willing the U.S. stations are to ask for government protection of their own markets, while reserving to themselves the right to raid other people's markets - even if it means crossing international borders to do so. I simply say that we in Canada cannot accept the continued subversion of our licensing system which is represented by the 20 million dollars which American stations take out of Canadian television markets every year. For the Americans, money is at stake. For the Canadian stations, there's more than money at stake - for some it's survival, for others an opportunity to improve Canadian program production. For all of us, it is the development of a strong and independent broadcasting system.

I should say that despite all their attacks on Canadian policies, the U.S. stations have expressed a willingness to negotiate. In last Friday's Globe and Mail, there was an article written by the managers of the Buffalo stations. The article ended in this way:

"There is a critical need for discussion between the two countries and an effort to negotiate adjustments. We are very pleased, therefore, that the U.S. State Department is urging discussion on the commercial deletion matter (at least) between the two governments. Given such discussions, we would urge that a broad range of cross border television problems be addressed. The two countries are now unhappily on a collision course in which the interest of the viewer seems to have been lost. Surely reasonable solutions can be found if reasonable people sit down together."

I think this is encouraging. The Government is prepared to discuss alternatives, and I'm sure the CRTC is too. I also look forward to suggestions for alternative suggestions, from you as much as from anyone.

But, in any discussions on this subject, I think two things should be kept in mind:

The first is that the U.S. border stations want only to keep the money which we want to divert to Canadian broadcasters. Any solution which does not repatriate that money is not a solution, so the U.S. border stations are bound to lose.

The second thing that we must remember is that Canada and the United States are separate countries, and broadcasters should be licensed to serve only their own country. What the U.S. stations are asserting is a right to serve Canada, in fact to act as Canadian stations. If we allow that, we are destroying the integrity of the Canadian system.

In closing, I would like to remind you once again of what is at stake here for Canadians. I can think of no better statement of the Government's concern in this matter than that made in 1970 by Pierre Juneau to the Davey Committee on Mass Media. Speaking about the purpose of the Broadcasting Act, Mr. Juneau said:

"If a country doesn't have a lively, vital and active communications system, if all the talk, all the movement of views, ideas and opinions, and all the images come from outside, then I suggest that after a while you have no common purpose, it's like an individual who has no personal purpose...

Of course, if we think of broadcasting as a pipe system to transport goods, that is another matter altogether... But... I don't think that is why Parliament has taken all the trouble of developing this Act. If you read it carefully there are much broader and fortunately more intelligent expectations in this Act than just providing canned entertainment."

QUESTIONS D'ACTUALITE EN MATIERE DE RADIODIFFUSION CANADIENNE:
LES STATIONS FRONTALIERES AMERICAINES

NOTES POUR UN DISCOURS DE
M. JIM FLEMING, DEPUTE
SECRETAIRE PARLEMENTAIRE

PRONONCE DEVANT LES MEMBRES DE LA BROADCAST EXECUTIVES SOCIETY
A TORONTO

LE 26 NOVEMBRE 1975



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J'ai choisi de vous entretenir aujourd'hui de l'actuelle controverse sur les efforts du gouvernement canadien en vue de renforcer notre système national de radiodiffusion. Je fais évidemment allusion aux mesures mises de l'avant par le gouvernement fédéral et le Conseil de la Radio-Télévision Canadienne afin d'inciter les annonceurs canadiens à confier leur publicité aux stations canadiennes plutôt qu'aux stations frontalières américaines.

Le CRTC a déjà encouragé les sociétés exploitantes de câbles à retirer de leurs émissions les annonces publicitaires qui proviennent des Etats-Unis. Le Parlement a aussi adopté en deuxième lecture le Projet de loi C-58, qui interdira, entre autre, aux contribuables canadiens de déduire dorénavant comme frais d'exploitation d'un commerce, les coûts de la publicité émise par des stations situées à l'extérieur de notre pays. Ces deux mesures visent essentiellement le même but: rendre moins attrayante aux Canadiens l'utilisation de stations américaines pour l'émission de leurs annonces publicitaires. Ce but n'est évidemment pas une fin en soi. Le but ultime c'est que les radiodiffuseurs canadiens disposent de plus de fonds pour stimuler la production d'émissions canadiennes, voire même, dans certains cas, pour assurer la survie des stations canadiennes.

Certains milieux ont réagi de façon extrême et hys-

térique à ces mesures. Des éditorialistes canadiens n'ont pas hésité à employer les termes de "brigandage" et de "piraterie" pour décrire ces mesures, tandis que certains de mes collègues de la Chambre, mal informés sans doute, se sont empressés de crier à la "censure".

Du côté de nos voisins du sud, les stations frontalières touchées par ces mesures ont mis en oeuvre leurs vastes ressources et fait jouer d'importantes influences politiques afin de contrecarrer la politique canadienne. Un sous-comité de la Chambre a tenu des audiences, M. Kissinger est apparu dans la mêlée, et des procès ont été intentés devant des tribunaux canadiens. Le paroxysme de l'hystérie a été atteint lorsque les propriétaires des stations américaines de Buffalo ont tenu une conférence de presse à Toronto, afin de rendre publique leur menace de brouiller leurs propres émissions. Et ces derniers semblent maintenant décidés à vouloir s'immiscer dans le processus de vente des émissions américaines aux radiodiffuseurs canadiens.

J'aimerais vous faire part de la façon dont je conçois le problème, et vous dire pourquoi j'estime que les mesures adoptées par le gouvernement et le CRTC, dans le but de défendre les intérêts des radiodiffuseurs canadiens, sont justifiées. J'espère ainsi pouvoir écarter quelques préjugés et dissiper certains malentendus qui sont venus brouiller le débat.

Permettez-moi tout d'abord, afin de replacer le problème dans sa juste perspective, de vous rappeler certains faits fondamentaux relatifs au Canada et au système de radio-diffusion canadien. Environ 80% de la population canadienne vit à moins de 100 milles de la frontière américaine. Environ 50% de la population canadienne peut capter directement les émissions américaines. La population canadienne est de quelque 20 millions, alors que celle de nos voisins est d'au moins dix fois supérieure.

Nous ne pouvons rien contre ces faits. Les radio-diffuseurs canadiens doivent exploiter leurs stations dans ces conditions. La radiodiffusion canadienne a toujours eu à subir la concurrence de la radiodiffusion d'outre-frontière, et par conséquent de stations qui bénéficient des ressources offertes par l'immense marché intérieur américain. L'an dernier, les revenus des stations américaines provenant de la diffusion d'annonces publicitaires étaient, tenez-vous bien, de plus de 4 milliards de dollars. Les revenus de même origine pour les stations canadiennes n'étaient que d'environ 200 millions de dollars.

Il n'est donc pas surprenant, dans ces conditions, d'apprendre que les programmes canadiens sont produits avec des budgets moindres. On ne peut pas s'attendre non plus qu'il soit facile pour le Canada de se doter d'un système de radio-

diffusion complètement indépendant. Pourtant, il y a longtemps que l'on sait que l'existence d'un tel système est essentiel à la réalisation d'un Canada fort possédant son identité nationale propre. Ce principe a été admis par les gouvernements canadiens, tant libéraux que conservateurs. C'est avec cet objectif en vue que le Parlement a adopté, en 1968, la Loi sur la radiodiffusion et créé le CRTC. En effet, le gouvernement avait alors pris conscience qu'il avait besoin d'un système de radiodiffusion qui pourrait permettre aux Canadiens, d'un océan à l'autre, de s'exprimer et de se connaître. Il a aussi pris conscience à ce moment que, sans un appui massif de sa part, le système ne serait pas viable en raison de la pénétration massive de la culture américaine d'outre-frontière.

Il est clair que cet envahissement culturel par les ondes n'est pas la conséquence d'un complot machiavélique des stations américaines. Il est tout simplement une conséquence du jeu de l'économie qui joue en faveur des Américains, étant donné la dimension de leur marché intérieur. Mais ce n'est pas parce que la situation est accidentelle que nous devons l'ignorer.

Tous les Canadiens devraient se préoccuper des effets de la domination américaine sur nos moyens de communications. Pour sa part, deux jours avant qu'il ne démissionne de son poste de premier ministre, M. Lester B. Pearson exprimait son inquiétude en ces termes:

"La pénétration industrielle, économique et financière du sud m'inquiète, mais moins que la pénétration des idées américaines et le déluge de renseignements qui nous assaille sur tout ce qui touche au style de vie américain, à la pensée américaine, aux loisirs américains, à la façon américaine de voir les choses".

En d'autres mots, sommes-nous destinés à devenir un satellite culturel des Etats-Unis? Nous avons répondu à cette question en 1968, et j'estime que depuis lors, et sous l'égide du CRTC, nous avons posé des gestes importants afin d'empêcher que la radiodiffusion canadienne ne devienne un simple reflet de ce qui est projeté sur les écrans américains.

Le CRTC a toujours été d'avis que la censure n'était pas la façon d'établir un système canadien de radiodiffusion fort et indépendant. Refuser aux Canadiens l'accès aux signaux américains serait un signe de xénophobie et de stupidité.

Au surplus ce serait une entreprise impossible. D'ailleurs la position du Gouvernement canadien a toujours été que les gouvernements ne devraient pas s'immiscer dans le contenu des émissions. Par conséquent, nous n'avons aucune objection à ce que les signaux américains soient reçus au Canada et nous n'avons pris aucune mesure pour mettre un obstacle à leur réception.

Mais je ne peux accepter le fait que les stations américaines situées à proximité de la frontière canadienne continuent à soutirer du Canada de larges sommes d'argent sous forme de recettes publicitaires.

La perte annuelle des stations canadiennes due à la fuite de recettes publicitaires vers les stations américaines est d'au moins 20 millions de dollars, ce qui représente environ 10% du total des recettes publicitaires touchées par l'ensemble du système canadien de radiodiffusion. Cette perte nuit énormément au développement de la radio-diffusion canadienne, elle fausse la politique du CRTC en matière de licences, elle empêche de délivrer des licences à de nouvelles stations canadiennes et rend plus difficile aux radiodiffuseurs canadiens l'atteinte des objectifs établis aux termes de la Loi sur la radiodiffusion.

Il existe au moins 50 stations de télévision américaines dont les signaux débordent au Canada. Environ vingt-quatre de ces stations encaissent la majeure partie des 20 millions qui fuient outre-frontière, et je suis certain que vous connaissez celles qui reçoivent la plus grosse part du gâteau.

La station KVOZ de Bellingham vend chaque année pour environ 7 millions de dollars en publicité canadienne, alors que la population de Bellingham ne compte 35,000 habitants. La publicité canadienne représente environ 85 à 90 pour cent des ventes de cette station "américaine".

Trois stations de Buffalo, WBEN, WGR et WKBW vendent aux Canadiens du temps d'antenne pour la somme d'environ \$10 millions de dollars chaque année. Contrairement à Bellingham, évidemment, Buffalo constitue un marché américain important qui pourrait facilement soutenir toutes ses stations.

Ce sont les propriétaires de ces quatre stations qui sont à l'origine des protestations contre les soi-disant injustices graves que les Canadiens commettent à leur égard. Ils s'opposent évidemment à la modification de la Loi de l'impôt sur le revenu, et je crois savoir qu'ils comparaîtront devant le comité permanent chargé d'étudier ce Bill. Mais comme leurs tentatives d'amener le gouvernement américain à

s'opposer au Bill ont échoué nous n'avons pas reçu tellement de plaintes à ce sujet depuis quelque temps. Les attaques des stations frontalières ont surtout porté sur la suppression des annonces publicitaires par les câblodiffuseurs.

Les stations de Buffalo sont naturellement très inquiètes de la suppression des annonces publicitaires. C'est là en effet une méthode efficace d'endiguer la fuite de la publicité canadienne vers les stations américaines, parce que l'annonceur est conscient du fait que ses réclames ne rejoindront pas les 60% de foyers torontois abonnés au câble. Cette mesure est d'autant plus efficace que les stations américaines sont incapables de la contrecarrer, comme elles tenteront de le faire dans le cas du Bill C-58, en réduisant leurs tarifs pour la publicité canadienne.

Ainsi, les stations de Buffalo considèrent la suppression de la publicité américaine comme "illégale" et "immorale". Leurs arguments concernant l'illégalité de cette mesure n'ont pas eu beaucoup de poids, puisque la Cour d'appel fédérale a décidé que le CRTC était entièrement dans son droit en exigeant l'élimination de la publicité. Et je m'attends à ce que la Cour suprême du Canada prononce le même jugement. En ce qui a trait au supposé caractère immoral de cette mesure, laissez-moi vous lire une partie d'une déclaration que m'a fait parvenir le président d'une des stations de Buffalo, M. Leslie Arries :

"Notre position se fonde sur le fait que le CRTC tente de changer une relation bilatérale en une relation unilatérale où le Canada bénéficierait de nos services, mais ne donnerait rien en retour. Nous n'exigeons pas que le gouvernement paye pour que des systèmes de télévision par câble aient l'autorisation d'utiliser nos signaux. Nous nous contentons de tirer profit des ventes de commerciaux à des entreprises canadiennes."

Cette attitude n'est-elle pas des plus nobles ? Pourtant elle ne tient pas compte d'un principe fondamental

qui veut que des stations détenant licence dans un pays doivent restreindre leurs activités à ce pays. Personne ne s'oppose au débordement des signaux. On ne peut l'éviter. Mais le but fondamental d'un système de délivrance de licences est de répartir une ressource rare et publique, soit les fréquences radioélectriques, de façon à servir les intérêts du public. Dans le domaine de la radiodiffusion, le CRTC tout comme la FCC tiennent pour un principe que le titulaire d'une licence a droit à une certaine protection contre la concurrence venant de l'extérieur, afin d'assurer la viabilité des services de télévision destinés à la communauté qu'il dessert.

Voilà pourquoi, par exemple, les réseaux américains considèrent Windsor et Détroit comme faisant partie du marché des Etats-Unis. Il en résulte que dans cette région les stations canadiennes ne sont pas autorisées à acheter des émissions américaines aux mêmes conditions que dans le reste du Canada.

Ce principe explique également pourquoi le développement de la télévision par câble aux Etats-Unis a fait l'objet de restrictions si sévères de la part de la FCC en tout ce qui concerne la distribution de signaux provenant de régions éloignées. Je dois ajouter en passant que ce sont

les radiodiffuseurs qui ont demandé l'établissement de ces restrictions, et, comme vous le savez probablement, le conflit entre câblodiffuseurs et radiodiffuseurs a récemment atteint de nouveaux sommets aux Etats-Unis.

Vous serez peut-être intéressés de savoir qu'en 1971, la FCC a non seulement autorisé une société de télévision par câble de la Pensylvanie à supprimer la publicité provenant de New York, mais qu'elle lui a également permis de la remplacer par des commerciaux provenant des stations locales. Par la suite, cette autorisation a été refusée par la Commission, mais ce n'était pas pour des raisons d'ordre moral. Si la situation qui existe à Buffalo était renversée, et que des stations de Toronto diffusaient des commerciaux américains, croyez-vous que M. Arries affirmerait : "Oh, tout cela est très bien, elles fournissent un service à Buffalo et obtiennent simplement une compensation en vendant du temps de publicité à des entreprises américaines." Il ne le ferait sûrement pas, et il s'attendrait à juste titre à ce que la FCC protège le marché qu'il est autorisé à desservir dans l'intérêt du public.

Ce qui préoccupe les stations américaines n'a aucun rapport avec la morale ou l'éthique mais gravite plutôt autour de l'ARGENT. Pendant quelque 20 année, elles ont profité du débordement des signaux pour retirer des profits

inattendus, profits auxquels, je le maintiens, elles n'avaient pas droit. Il s'agit en effet d'argent provenant d'entreprises canadiennes, dont les annonces publicitaires s'adressent au public canadien, et j'affirme qu'il devrait revenir à des radiodiffuseurs canadiens, non seulement pour qu'ils s'enrichissent, mais aussi pour préserver l'intégrité de la radiodiffusion canadienne.

Il est très facile de démontrer que ce ne sont pas des questions d'ordre moral qui motivent les stations américaines. En 1974, les revenus totaux provenant de la publicité à Buffalo ne sont élevés à environ 34 millions de dollars. La moitié de ce montant provenait des revenus de la publicité nationale et régionale qui passait à la télévision, aux Etats-Unis. Huit millions de dollars provenaient de la publicité d'entreprises américaines locales. Le reste, soit environ 9½ millions de dollars, provenait du Canada et constituait un véritable cadeau.

Au cours de discussions qui ont eu lieu il y a quelque temps avec des représentants du Canada au sujet de la suppression de la publicité américaine, les stations des Etats-Unis ont proposé un compromis : supprimer la publicité nationale américaine et s'entendre pour leur conserver le reste. Où se trouve la morale dans cette proposition ? Non contentes de ne pas payer les réseaux américains pour leur auditoire

canadien, elles sont même prêtes à faire des négociations qui vont à l'encontre des intérêts des publicitaires nationaux américains.

Si les stations de Buffalo soulèvent un tel tollé général, c'est tout simplement parce qu'elles ont peur de perdre leurs revenus en provenance du Canada. Les ventes de publicité au Canada, qui n'augmentent en rien les coûts fixes de ces stations, représentent pratiquement un profit net, et bien que le marché de Buffalo se classe 28e pour ce qui est de l'étendue de son auditoire, il se retrouve 18e si l'on considère les revenus des stations.

Pourtant, les stations limitrophes américaines ne sont même pas les propriétaires de ce qu'elles défendent avec tant de zèle. Lorsqu'elles achètent des droits de programme, il s'agit de droits pour Buffalo. Elles n'ont pas de droits exclusifs pour Toronto. Ces derniers sont achetés par les radiodiffuseurs de Toronto, et, à ma connaissance, aucune des stations limitrophes n'a jamais suggéré que les producteurs de programmes aurait droit à une partie des recettes publicitaires qu'elles importent du Canada.

En réaction aux mesures prises par le Canada pour protéger le marché canadien, les stations américaines ont avant tout proféré une série de menaces, et la plus controversée a sans doute été le projet des stations de Buffalo de brouiller leurs propres signaux. La logique des stations de Buffalo est évidente: si la valeur commerciale de leur "produit" est éliminée, autant empêcher leur "produit" de parvenir au Canada. En vérité, mise à part la question de savoir à qui appartient le "produit" consommé, et s'il appartient à qui que ce soit, selon moi, c'est bien aux producteurs de programmes, tout le projet brouillage n'est qu'une menace visant à effrayer les téléspectateurs de Toronto. Les stations américaines menacent de brouiller leurs signaux, espérant ainsi forcer le CRTC à négocier.

L'attitude des radiodiffuseurs américains devant la suppression de la publicité contredit, selon moi, l'approche qu'ils utilisent lorsqu'ils ont à faire face eux-mêmes à la concurrence. Considérez, par exemple, leur attitude au sujet de la pré-diffusion de leurs programmes au Canada. Comme vous le savez sans doute, les stations canadiennes doivent obtenir et payer des droits de pré-diffusion lorsqu'elles achètent des programmes américains pour les diffuser au Canada. Cela fait partie intégrante de la concurrence avec les stations américaines.

Mais à la suite de la récente controverse au sujet du Projet de loi C-58, et sans doute à la suite de la construction de la Tour du CN, les stations de Buffalo ont persuadé le réseau ABC de présenter une demande à la FCC en vue de mettre fin à la pratique de la pré-diffusion. Pourquoi? Tout simplement pour protéger leur marché.

La FCC a accepté de mener une enquête sur la question de la pré-diffusion. Bien sûr, cela ne signifie aucunement que la Commission peut se mêler de la façon dont les stations canadiennes achètent leurs programmes américains, ou même qu'elle a l'intention de le faire. Et personnellement, je ne pense pas qu'elle le fera. Elle mènera toutefois une

enquête sur la question. Deux commissaires ont voté contre la décision de mener une enquête, et un troisième s'est montré hésitant: "Il se peut que nous fassions beaucoup de bruit pour rien", a-t-il déclaré. Un des dissidents, Glen Robinson, a formulé des observations très pertinentes au sujet de l'attitude des réseaux et des stations de Buffalo. Parmi les nombreuses remarques qu'il a faites à ce sujet, retenons les suivantes:

"Depuis de nombreuses années, les fournisseurs de programmes ont constaté que les radiodiffuseurs du réseau canadien étaient disposés à payer des droits de diffusion pour recevoir l'autorisation de diffuser des programmes avant la première diffusion américaine. Il est certain que cette pratique favorise les Canadiens au dépens des stations américaines, pour ce qui est de la cote d'écoute. Mes collègues considèrent évidemment que cette pratique est "injuste" pour les radiodiffuseurs américains. "L'injustice" de cette pratique n'est pas vraiment expliquée, et si je mets de côté toute raison chauvine, je n'y comprends rien. Pourquoi les radiodiffuseurs canadiens devraient-ils adapter leur programmation au bon plaisir de leurs concurrents américains?

Il faut bien remarquer que les Canadiens payent un bon prix aux producteurs de programmes pour obtenir les droits de pré-diffusion. Peu disposés à acheter ces droits (en termes économiques, "incapables" de le faire), les radiodiffuseurs américains viennent maintenant nous demander de les leur offrir gratuitement. Ils semblent croire que la FCC devrait se faire l'émule de Salvador Allende ou jouer les bonnes fées, en expropriant ce qui appartient aux producteurs de programmes pour le donner magiquement aux stations affiliées du réseau. Comme formule de redistribution des revenus, c'est là une tactique originale, pour ne pas dire plus. Il est pensable d'imposer des taxes aux riches pour aider les pauvres, mais il ne semble pas qu'il s'agisse de la même situation dans le cas présent. Il est particulièrement ironique de constater que tant d'attention soit portée aux profits menacés du marché de Buffalo, alors que ce dernier se place parmi les plus rentables du pays".

Le commissaire Robinson touche au noeud du problème lorsque, impassable devant les plaintes des stations de Buffalo qui désirent se protéger contre notre pratique insidieuse d'acheter les droits de pré-diffusion, il déclare :

"...on remarque que le réseau ABC et ses stations affiliées de Buffalo font des pressions pour que le problème de la pré-diffusion soit envisagé dans le contexte global des autres mesures prises par le Canada pour faire obstacle aux radiodiffuseurs américains, à savoir, l'élimination de la publicité américaine des émissions en provenance des Etats-Unis lorsque retransmises par les systèmes de télévision par câble canadiens, une proposition en vue d'abolir la déduction d'impôt accordée aux firmes canadiennes pour toute publicité diffusée par les stations américaines, et, dernière mesure mais non la moindre, l'érection à Toronto d'une tour de radiodiffusion canadienne haute de 1,800 pieds." La Commission ne fait

que mentionner ces mesures en passant, de sorte que nous nous perdons en conjecture sur les liens qui existeraient, selon elle, entre ces mesures et le problème de la pré-diffusion. Rien ne nous empêche donc de penser qu'on cherche à affirmer notre juridiction sur la pré-diffusion en ayant recours à l'ancienne diplomatie des canonnières, pour rappeler à nos amis du Canada que la FCC peut leur enlever "Maude" s'ils s'opposent aux intérêts des radiodiffuseurs américains. La menace pourrait évidemment être vraisemblable, mais pour cela, il faudrait enlever à Norman Lear le droit de vendre "Maude" au Canada, ou tout au moins celui de vendre son programme au prix qu'il commande sur le marché. Le moins qu'on puisse dire est qu'il s'agit là d'une singulière pratique de la stratégie des canonnières : au lieu d'envoyer nos navires menaçants remonter le fleuve Saint-Laurent, nous les envoyons dans le port de Los Angeles, pointer leurs canons sur Hollywood."

Nous voyons donc que les stations américaines se pressent de demander au gouvernement américain de protéger leurs propres marchés, mais qu'elles se réservent le droit de piller les marchés des autres même si elles doivent pour cela

franchir les frontières internationales. J'affirme tout simplement que le Canada ne peut accepter de voir son système de délivrance de licences continuellement perturbés par la ponction de quelque 20 millions de dollars de publicité prélevée chaque année par ces stations américaines au détriment des stations de télévision canadiennes. Pour les Américains, c'est d'argent qu'il s'agit. Pour les stations canadiennes, il s'agit de beaucoup plus : pour certaines, il y va de leur survivance, pour d'autres, c'est la chance d'améliorer leur production d'émissions canadiennes. Pour nous tous, il s'agit de créer un système de radiodiffusion qui soit fort et indépendant.

Malgré toutes leurs attaques contre les politiques canadiennes, je dois admettre que les stations américaines ont exprimé le désir de négocier avec nous. Vendredi dernier, un article rédigé par les directeurs des stations de Buffalo paraissait dans le Globe and Mail. Cet article se terminait de la façon suivante :

"Il est absolument essentiel que les deux pays ouvrent des discussions et fassent des efforts pour négocier des ententes. Nous sommes donc heureux de constater que le Département d'Etat américain tient instamment à ce que les deux gouvernements discutent au moins de la question de la suppression de la publicité. Nous souhaitons ardemment qu'un grand nombre de problèmes propres

aux stations limitrophes soient examinés par la même occasion. Le Canada et les Etats-Unis se dirigent malheureusement vers un affrontement où l'intérêt du téléspectateur semble avoir été perdu de vue. Il y a sûrement moyen de trouver des solutions entre gens raisonnables".

Ces paroles me semblent encourageantes. Le gouvernement est disposé à discuter de solutions de rechange et je suis persuadé que le CRTC l'est également. Par ailleurs, je vous invite, tous et chacun, à me transmettre vos propositions et vos solutions de rechange.

Cependant, quelles que soient les discussions soulevées à ce sujet, je pense que nous devrions garder deux choses à l'esprit:

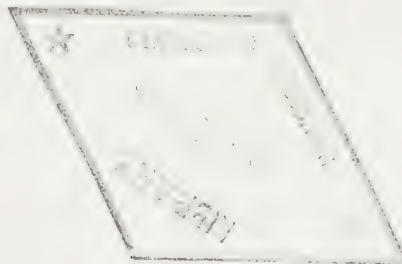
Premièrement, ce que recherchent avant tout les stations situées près de la frontière canado-américaine, c'est de garder l'argent que nous voulons récupérer au profit des radiodiffuseurs canadiens. Toute solution qui ne vise pas à rapatrier cet argent n'en est pas une. En toute hypothèse, ces stations vont donc nécessairement être perdantes.

Deuxièmement, le Canada et les Etats-Unis sont deux pays distincts, et par conséquent, les licences accordées aux radiodiffuseurs ne devraient les autoriser à desservir que leur propre pays. Ce que revendiquent les stations américaines, c'est le droit de desservir le Canada, autrement dit, celui d'agir comme une station canadienne. Accéder à cette requête serait détruire l'intégrité du système canadien.

En conclusion, je voudrais vous rappeler une fois de plus quels sont les intérêts en jeu pour les Canadiens. Et pour exprimer le souci du gouvernement face à ce problème, je ne peux penser à une déclaration plus pertinente que celle faite par M. Pierre Juneau en 1970 lorsqu'il s'adressait au Comité Davey sur les media. Parlant de l'objectif de la Loi sur la radiodiffusion, M. Juneau s'exprimait en ces termes:

"Si un pays ne possède pas un système de communications vivant, en bonne santé et débordant d'activité, si tout ce qui se dit, si tout ce qui se pense, si toutes les idées, toutes les opinions et toutes les images sont importés de l'étranger, alors je pense qu'après un certain temps tout objectif commun, cesse d'exister. C'est comme un individu qui n'aurait plus aucun but personnel...

Bien entendu, si nous envisageons la radiodiffusion comme un système de canalisation servant à acheminer des denrées, il s'agit d'une toute autre question... Mais je ne crois pas que ce soit dans une telle optique que le Parlement s'est donnée la peine d'élaborer cette Loi. Si vous la lisez attentivement, vous verrez qu'elle traduit des aspirations beaucoup plus élevées et, fort heureusement, beaucoup plus sensées que de fournir de simples divertissements en conserve".



FEDERAL INVOLVEMENT IN COMMUNICATIONS
AND THE CULTURAL SECURITY OF QUEBEC

NOTES FOR A SPEECH

BY THE HONOURABLE JEANNE SAUVE

MINISTER OF COMMUNICATIONS

TO THE LUNCHEON MEETING OF THE

SAINT-LAURENT KIWANIS CLUB

IN MONTREAL.

WEDNESDAY, MARCH 17th, 1976 - TO BE RELEASED AFTER 1:00 P.M.



11/10/76
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Ever since the spectacular tug of war between federal and provincial authorities at Rimouski and Mont-Joli, the general public has been concerned about the real issues behind this hodge-podge of antennas seized, antennas hidden, suits and counter-suits before the courts.

Most suspect that deep down things are not as simple as some wish them to appear. The events have occasioned a certain amount of ridicule, but the legalities of the situation will not be determined by those who laugh the loudest. In the midst of this dog-eat-dog atmosphere, it is difficult to be dispassionate, to be able to think calmly about the problems of communications as a whole. The question of cable is, of course, only one among many issues which face us in the field of communications.

As the new federal Minister of Communications, I should like to steer clear of this antenna dispute and instead share with you a few general thoughts on communications in Canada, on the role that the federal government and the provinces should play in this field, and on the means of ensuring for Quebec the cultural security about which it is so justifiably concerned.

You will probably not be surprised if I say, at the outset, that my position on communications issues takes its perspective from my basic commitment to Canada and to the nation as a whole. Normally, this would not have to be said

by any federal minister but I should like to make it clear that it is not only by virtue of my job, but also through personal conviction, that I believe in this country and in the fundamental role that the federal government must play in its affairs.

Apart from any legal and constitutional considerations, although these are by no means unimportant, I am convinced that that the federal government must occupy a predominant place in the field of communications in Canada. There are several important reasons for my beliefs.

The first, and perhaps most obvious one, is that radio waves recognize no boundaries, whether provincial or national. It takes nothing more than a flip through the radio dial some evening to hear the cacaphony of voices from as far away as Boston, New York and even Texas, to test the validity of this argument. This international aspect of the airwaves will become even more pronounced with the introduction of communications super-satellites, capable of spanning an entire continent with their antenna beams and of transmitting radio and television signals directly into every home.

How can we face the formidable threat of cultural invasion to which we shall then be exposed? How can we protect ourselves from the economic and technological upheavals that this will no doubt bring about in our present radio and cable broadcasting systems?

There is no effective defence against these new contrivances in outer space, and no purpose is served by barricading ourselves at home. The time to assert one's rights is when the rules of the game are being decided at the international level. To do that, however, we must be able to speak in the name of a sufficiently large and united community if we are to have any impact on the economic, technological and cultural decisions being taken. Indeed, we have learned this from experience: management of the radio frequency spectrum and problems of interconnection of various national systems have long since compelled us to take part in meetings of international agencies, such as the International Telecommunications Union and certain specialized U.N. agencies.

Seen in this light, the fragmentation of Canada's regulatory authority would seriously weaken our voice on the international scene. This fragmentation, as well as running counter to tradition, would amount to a refusal to adapt our political realities to the imperatives of the new communications technology.

The second reason for adhering to a federal viewpoint results from the increasing overlap of the various means and systems of modern telecommunications. For example, Bell Canada no longer restricts its activities to the transmission of telephone calls. Today, its cables and microwave networks carry radio and television programs, facsimiles, teleprinter messages, as well as computer-to-computer communications. And the company's conventional facilities, like those of the CBC, are supplemented

by our satellite system, using the Telesat Corporation's series of Anik satellites. This system now links Canadian communities from coast to coast.

In the face of this growing interdependence and inter-relation of the means and systems of telecommunications, it seems to me that we cannot, with impunity, weaken the political authority entrusted with ensuring the rational development of all Canadian telecommunication systems.

Furthermore, in a country whose population of slightly more than twenty million is scattered over half a continent, it is not possible to multiply the technological alternatives to suit individual regions and provinces without creating disastrous incompatibilities and without fragmenting the already very limited domestic market for our telecommunications industry.

Had our approach been fragmented in the past, could we have met the challenge of space communications? Could we have acquired the Alouette, Isis and Anik satellites? Would we today be in the forefront of progress in this vital field with our new communications technology satellite? The answer to all of these questions is, in my view, an unequivocal no. It is essential that we dissipate neither our political energy nor our economic capacity in the future. For by doing so, we may prevent ourselves from taking the next step in the evolution of space communications, the advent of satellites capable of

transmitting directly into every Canadian home.

My third reason for stressing a strong federal involvement in the field of communications is based on the symbiosis which, at the present time, unites conventional broadcasting and cable operations.

Despite the thousands of eventual uses of cable systems foreseen by supporters of the "wired city", the fact remains that, since its inception in 1952, cable television has been used almost exclusively to receive and redistribute Canadian and American television signals. This will likely remain true for a number of years, in spite of the undeniable fact that cable systems will be used increasingly for purposes other than the redistribution of television signals.

To treat broadcasting and conventional cable television systems as two distinct entities would be to create a dangerous division between production sources and broadcast means. The result of this would be to threaten the health of our Canadian broadcasting system.

In fact, before we entered the age of cable television, broadcasting methods and activities counterbalanced each other within the Canadian broadcasting system. But, with the advent of cable television systems, this traditional balance was suddenly challenged and, year by year, is becoming more and more of a problem.

Left to themselves and their own development, cable

television systems tend quite naturally to multiply the number of channels without regard for the quality and origin of the material transmitted. With the excuse that technological progress cannot be ignored, those who sell the equipment have but one idea in mind - to increase the capacity of the system at any cost. No one, however, seems to be giving thought to who will produce the programs required for the 12, 20 or even 40 channels that may eventually be offered to the nation's television viewers. It is taken for granted that the production of new films and new audio-visual material will keep pace with this sudden proliferation of channels. Experience has shown, however, that things are not quite that simple. In a few years, cable has consumed our local and national production and cable distributors have turned to massive importing of American programmes.

Until now, we have managed to make do with an abundance of programming left to us by preceding generations. But we cannot live indefinitely off this legacy. We can only depend on reruns for a certain length of time before running through the entire cycle of motion picture production from the Lumière Brothers to the present. And to rely on foreign programming as a substitute for our own insufficient production can only be considered acceptable on a temporary basis.

If we are to remain consumers and importers of foreign cultural products, we run the risk of seeing the world only

through the eyes of others. Without adequate domestic programming, we cannot hope to build our world view, to reflect our own way of thinking, and to realize our personal and collective destiny. In short, our vitality and spirit would wither and our culture would quickly lose its substance.

To avoid such a cultural drain and to keep hundreds of jobs filled by writers, film-makers and artists, we must ensure that our producers and our broadcasters are not unfairly crushed by competition from American stations imported by cable. We must also ensure that cable systems do not appropriate funds for broadcasting facilities that would better be spent on production.

To accomplish all of this, it is clear that one single authority should have jurisdiction over both conventional broadcasting and cable television systems.

This is not to say that provincial authorities should be excluded from the field of cable or conventional broadcasting. I shall make this clear in a moment. I believe, however, a single authority should have final responsibility for maintaining a fair balance throughout the country between resources devoted to production and those devoted to the development of new broadcasting methods. The cultural future of all Canadians, both English and French-speaking, is at stake.

This brings me to the subject of Canadian unity, which is the last but not the least of the considerations underlying my convictions in communications policy.

We have all heard the axiom that the railway made Confederation possible by physically linking the various regions and provinces of Canada. In our day, it seems equally true that telecommunications have become even more essential to the unity of Canada than transportation networks. Scattered as we are over a large area, our survival as a nation depends on our electronic links and on the image of ourselves as reflected by the electronic media. These observations are not new, but they bear repeating if we care about the future of Canada.

It is obvious that the Balkanization of the country's communication systems can only lead to the Balkanization of outlooks and to the destruction of the unity essential to the survival of the Canadian people. No responsible Canadian can agree to be a party to the dismantling of the communication systems that are the very life blood of the country.

Some have said that Canada as a country is an idealistic and utopian idea. I would reply by saying that the same is true of all great adventures, especially those which inspire us to step beyond the tendency to parochialism and narrow nationalism and to become involved in a wider community.

Having said this, I do not wish to give the impression that I advocate the kind of centralized federalism that is unresponsive to the claims of the provinces. I fully recognize that provincial governments have significant and legitimate interests in the field of communications.

It is obvious that conventional and cable broadcasting bear closely on certain areas of provincial responsibility. Education is one example. It is no less obvious that telecommunications affect areas of shared responsibility, such as culture and the economy, to which the provinces as well as the federal government attach great importance. It is also obvious that the provincial governments require the use of broadcasting and telecommunication facilities to perform their tasks in many other areas of activity.

The provinces are therefore rightly concerned about the way in which federal authorities and institutions discharge their responsibilities. They are fully justified in wanting a say in certain policies, decisions, or actions of federal authorities which, directly or indirectly, affect the ability of provincial authorities to perform their tasks. The provinces are also right in asserting that they are in as good a position as the federal government to regulate some local aspects of telecommunications.

I will go even further. In the case of Quebec, given the legitimate anxiety that we Francophones feel about our future in North America, I fully understand the desire of provincial authorities to provide themselves with the means of ensuring the "cultural security" of French-speaking Quebecers. I hope that I shall never be an obstacle to these legitimate aspirations.

After my remarks about the need for a strong federal presence in the communications field, you can easily understand that there could be no question, as far as I am concerned, of a massive transfer of power to the provinces. Even if I favoured such a transfer, it would be beyond my power as Minister of Communications to effect it, since it would involve constitutional changes.

If we had to imprison ourselves in a policy of all or nothing, of "let's make over the constitution or make do with the status quo", I fear that we might not get very far. But would this really be the best way to ensure the "cultural security" of francophone Quebecers?

I doubt it. For my part, I feel that we have nothing to gain by persisting in a dead-end course. We must be prepared to make a new departure and explore together avenues that, while not extreme, may be more likely to bring us concrete results in resolving issues of communications and culture.

For example, the federal government has, for some time now, recognized provincial rights in the field of educational broadcasting. As a result, since 1970, Quebec and Ontario have established educational television services. Both these provinces now broadcast from their own antennas. Those who have seen the broadcasts of Radio-Quebec have no doubt found that the Province has, at the same time, provided itself with a true

cultural outlet.

If Quebeckers, however, feel that educational television cannot, by itself, satisfy their aspirations, I am prepared to look into the possibility of allowing provinces to set up independent agencies which could engage in general broadcasting. To be sure, we should have to consider carefully the impact of such a policy on the overall balance of the Canadian broadcasting system, because we have always felt it necessary to protect the system from the kind of excessive fragmentation that would place in question the very existence of certain broadcasting operations. Nevertheless, I am quite prepared to explore such a new avenue with the provinces.

The francophones of Quebec would then be in a position to powerfully influence the course of their cultural destiny. And already, Quebeckers have a substantial representation in the CBC, an institution which has had a remarkable record of success in promoting and spreading French language and culture.

From "La famille Plouffe" to "La petite Patrie" and including the television dramas of Dubé and Tremblay, the CBC has shown the soul of Quebec in all its aspects to the people of this province. Without it, how many of Quebec's creative and performing artists would have found more fertile ground elsewhere for the development of their talents? If, however, we feel that we can do better and more than the CBC,

my mind is not shut in advance to such an idea.

In addition, the federal government is offering provincial authorities a chance to participate in the decision-making power of the new CRTC in the areas of coverage and services. The provinces have rejected, somewhat too hastily in my opinion, what they have called a mere consultative power without any real possibility of asserting their priorities, particularly their cultural priorities. There has been no attempt to negotiate concrete agreements to see just how far the federal government is prepared to go in its offers. Perhaps it is time to do so.

In the area of cable television as well, we have been depicted as being intransigent, given to legal quibbling, and pursuing antennas.

What is never said is that we were and are still ready to consider the possibility of arranging for provincial authorities to exercise certain responsibilities on local aspects of cable systems, provided, of course, that specific mechanisms can be devised to ensure the co-ordination essential to the rational development of our system. Phase II of our telecommunications legislation could well include a clause allowing the Minister of Communications to delegate powers to the provinces if current negotiations produce agreements.

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Moreover, I can say without hesitation that, if the problem at Rimouski and Mont-Joli were divorced from Quebec's claims for a quasi-exclusive jurisdiction in the area of cable television, there would be a way to arrive at solutions. Up until now, this has not been possible. Nevertheless, I am hopeful that an agreement on this whole question can be reached with my colleague, Mr. Denis Hardy.

Once again, if we can free ourselves from all-or-nothing thinking, Quebec could well, in the very near future, exercise wholly legitimate powers over many local, but very important, aspects of cable television. These powers could prove absolutely vital, particularly with respect to the cultural impact of cable television on all those small communities whose vitality seems to be indispensable to the cultural security of Quebec.

Cable television, rather than damaging our own culture through the importation of foreign culture, could more appropriately serve as a medium to help communities to become more aware of themselves, of their style of life and of their special values. Only in this way, in Quebec and throughout Canada, shall we succeed in effectively combatting the steam-roller effects of American culture that cable television spreads to the entire country.

By exercising a determining influence on this local

and community aspect of cable, Quebec would hold an important key to its cultural security.

As for the dangers of cultural invasion posed for all Canadians, and for francophone Quebecers in particular, by the super-satellites of the future, I have already shown that there is only one effective means of combatting it.

For Quebec, this will not be achieved through isolation. On the contrary, it requires active participation in the Canadian adventure. For, with twenty million Canadians, we should be able to afford a super-satellite which can broadcast in French, thereby respecting the bilingual and bicultural reality of the country.

Beyond these questions of control and regulation of communication systems, it seems to me that the cultural security of Quebec depends, in the final analysis, on the vitality and enterprise of those who create and disseminate French culture in North America.

It is one thing to increase equipment and to change the ownership of the communications facilities available to the people of Quebec. But, if a climate of freedom favourable to the growth of creative ideas is not developed at the same time, the cultural security of Quebec will be built on sand.

As I stated earlier, safeguarding this climate of freedom, which is indispensable to our cultural development, presupposes that we all respect the sole and unique sovereign-

ty of the artist, the writer, the performer - in fact of all those active in the cultural field.

That is why it seems pointless for governments to quarrel over who is or is not responsible in cultural matters. In many respects, the modern state has replaced the patrons of former times. Access to a number of patrons has always served to provide a measure of independence and security for those creative minds who influence cultural development.

The end of some degree of rivalry between the federal government and the provinces in support of the arts and culture would therefore be regrettable. I should find it unfortunate if Quebec preferred to restrict the development of its culture rather than to accept encouragement that does not come directly from itself.

Instead, what is needed is an increase in the sources of income for our creative and performing artists and an elimination of harmful competition through better co-ordination of efforts by the various levels of government.

In short, the choice is to leave behind ideological debates; to talk to one another as men and women of good will. I am convinced that, through agreement, we can ensure the "cultural security" of Quebecers without sacrificing federal authority over the Canadian communications system as a whole or abandoning a federal presence in the cultural field.

I should therefore like to end my remarks by offering an open dialogue with the provinces, and I do so as I begin a round of visits with my provincial counterparts.

I have endeavoured here to give a frank explanation of the manner in which I approach the question of federal-provincial relations in the field of communications. In the process, I hope I have demonstrated that I am open to discussion.

Dialogue and negotiation are not easy, as I am well aware. But I am also aware that, in the context of Canadian confederation, we must make them a way of life, particularly at this time when the world-wide nature of problems forces all governments to leave behind their own narrow sovereignty and together explore avenues of cooperation.

Government
Publications

PRÉSENCE FÉDÉRALE DANS LES COMMUNICATIONS
ET SÉCURITÉ CULTURELLE DU QUÉBEC

NOTES POUR UNE ALLOCUTION
DE L'HONORABLE JEANNE SAUVÉ
MINISTRE DES COMMUNICATIONS
PRONONCÉE AU DÉJEUNER-CAUSERIE
DU CLUB KIWANIS SAINT-LAURENT
À MONTRÉAL
LE MERCREDI 17 MARS 1976



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Depuis qu'à Rimouski et à Mont-Joli les autorités provinciales et fédérales se sont affrontées en une spectaculaire partie de "souque-au-câble", le grand public s'interroge sur les enjeux réels qui se cachent derrière tout ce chassé-croisé d'antennes saisies, d'antennes cachées, de poursuites et de contre-poursuites devant les tribunaux.

Il soupçonne qu'au fond, les choses ne doivent pas être aussi simples que certains le laissent entendre, et qu'il ne suffit pas d'avoir les rieurs de son côté pour être dans son droit. Mais on n'échappe pas facilement à cette atmosphère "combat-de-coqs", et rares sont les occasions de s'arrêter pour réfléchir plus sereinement à l'ensemble du problème des communications, dont le câble n'est en fait qu'une composante parmi d'autres.

En ma qualité de nouveau Ministre fédéral des Communications, je voudrais donc prendre du large par rapport à cette querelle d'antennes, et vous livrer en termes simples quelques réflexions d'ensemble sur les communications au Canada, sur le rôle que devraient y jouer le gouvernement fédéral et les provinces, et sur des moyens d'assurer au Québec cette "sécurité culturelle" dont il s'inquiète à juste titre.

Je ne vous étonnerai sans doute pas en vous disant, qu'au départ, ma position se situe nettement dans une perspective canadienne et dans la logique d'une politique nationale. Ces choses vont sans doute de soi quand on est ministre à Ottawa, mais j'aimerais vous faire voir que ce n'est pas seulement

par métier, mais également par conviction personnelle, que je crois en ce pays et au rôle capital que doit y jouer le gouvernement fédéral.

Indépendamment de toutes considérations d'ordre juridique et constitutionnel, bien que je ne les tienne point pour négligeables, je suis en effet convaincue que le gouvernement fédéral doit occuper une place prépondérante dans le domaine des communications au Canada. Mes convictions s'appuient en cela sur plusieurs raisons importantes.

La première est que les ondes hertziennes ne connaissent pas de frontières. Ni provinciales, ni même nationales. Vous n'avez qu'à tourner le bouton de votre appareil radio et à écouter, certains soirs, la cacophonie des voix bostonnaises, new-yorkaises ou même texanes qui se disputent joyeusement nos ondes, pour vous convaincre de cette évidence. Et cette omniprésence des ondes ne pourra que s'accentuer, avec la venue prochaine de super satellites de communications, capables d'embrasser des continents entiers dans le faisceau de leurs antennes, et de transmettre directement dans chaque foyer les signaux de la radio et de la télévision.

Comment faire face aux redoutables dangers d'invasion culturelle auxquels nous serons alors exposés? Et comment nous garantir des bouleversements économiques et techniques que cela ne manquera pas d'entraîner pour notre système actuel de radio et de câblodiffusion.

Contre ces nouveaux engins spaciaux, il n'est point de tactiques défensives qui tiennent. Rien ne sert de se barricader chez soi. C'est au moment où les règles du jeu se décident à l'échelle internationale qu'il faut être présent et faire valoir ses droits. Mais pour cela, il faut pouvoir parler au nom d'une communauté suffisamment nombreuse et unifiée pour faire le poids du point de vue économique et technique aussi bien que culturel. Nous le savons d'expérience, puisque la gestion du spectre des fréquences et les problèmes d'interconnexion nous forcent depuis longtemps à participer aux débats d'organismes internationaux comme l'U.I.T. ou certaines agences spécialisées de l'O.N.U.

Dans ces perspectives, morceler indûment l'autorité de réglementation au pays, serait affaiblir notre voix sur la scène internationale. Ce serait également aller à contre-courant de l'histoire, et refuser d'adapter nos réalités politiques aux impératifs de la nouvelle technologie des communications.

La deuxième raison qui milite en faveur de mes convictions est l'imbrication de plus en plus forte des divers moyens et systèmes de télécommunications modernes.

Le temps n'est plus où Bell-Canada se contentait de transmettre vos simples appels téléphoniques. Aujourd'hui, en plus d'assurer la transmission des données entre ordinateurs, ses câbles et ses réseaux micro-ondes transportent des émissions de radio et de télévision, des fac-similés, des messages générés

et captés par téléimprimeur, et que sais-je encore. Et lorsque la compagnie Bell veut franchir les frontières du Québec et de l'Ontario, pour rejoindre les diverses communautés du pays, elle doit recourir, tout comme Radio-Canada d'ailleurs, aux réseaux micro-ondes trans-canadiens, ou aux satellites Anik, de la Société Télésat.

Devant cette interdépendance et ce recoupement des moyens et des systèmes de télécommunications, il me semble encore une fois, qu'on ne saurait affaiblir impunément l'autorité politique chargée de veiller au développement rationnel de l'ensemble des services canadiens de télécommunications.

Par ailleurs, dans un pays qui compte à peine plus de 20 millions d'habitants dispersés sur la moitié d'un continent, on ne peut multiplier les choix techniques au gré des régions et des provinces, sans créer des incompatibilités ruineuses, et sans morceler un marché intérieur déjà fort restreint pour notre industrie des télécommunications.

Divisés, aurions-nous été en mesure de relever le défi des communications spatiales, et de nous doter des satellites Alouette, Isis ou Anik? Et serions-nous aujourd'hui à la fine pointe du progrès, dans ce secteur vital, avec notre nouveau Satellite technologique de télécommunications? La réponse à ces questions est, à mon sens, clairement négative. Voilà pourquoi, il m'apparaît indispensable de ne pas affaiblir nos énergies politiques et notre capacité économique de prendre le prochain tournant des communications spatiales, celui des

satellites capables de diffuser en direct dans chaque foyer canadien.

Ma troisième raison de tenir à une présence fédérale forte dans le domaine des communications, tient à l'espèce de symbiose qui unit à l'heure actuelle la radiodiffusion et le câble.

Les tenants de la "cité câblée" ont beau faire miroiter à nos yeux les mille usages éventuels de la câblodiffusion, il n'en demeure pas moins que depuis sa naissance, en 1952, le câble a servi presque exclusivement à capter et à redistribuer les signaux de la télévision canadienne et américaine. Et il risque d'en être ainsi pour de nombreuses années encore, malgré le fait indéniable que le câble servira de plus en plus à d'autres fins qu'à la redistribution de la télévision hertzienne.

Dans ces perspectives, et pour un certain temps encore, vouloir traiter la radiodiffusion et le câble comme deux réalités distinctes, c'est créer un dangereux divorce entre les sources de production et les moyens de diffusion, et menacer directement la santé de notre système canadien de radiodiffusion.

En effet, avant notre entrée dans l'ère de la télévision par câble, les moyens de diffusions et les efforts de production de programmes s'équilibraient à l'intérieur du système canadien de radiodiffusion. Mais avec l'avènement de la câblodiffusion, cet équilibre a brutalement été remis en question, et il est devenu chaque année de plus en plus problématique.

Laissée à elle-même et à sa propre logique, la câblo-diffusion tend à multiplier purement et simplement des canaux sans se soucier de la qualité et de la provenance des messages retransmis. Sous prétexte qu'on ne peut bouder le progrès technologique, les vendeurs d'équipement n'ont qu'une idée en tête, celle d'augmenter à tout prix la capacité des systèmes. Mais personne ne semble se préoccuper de savoir qui produira les programmes nécessaires aux 12, 20 ou même 40 canaux qu'on veut offrir aux téléspectateurs du pays. On prend pour acquis que la production de nouveaux films et de nouveaux documents audio-visuels ira de pair avec cette soudaine multiplication des canaux. L'expérience nous a cependant prouvé que les choses n'étaient pas aussi simples. En quelques années, le câble a littéralement dévoré notre production locale et nationale et les câblodiffuseurs se sont mis à importer massivement des émissions américaines pour compléter leur programmation.

Jusqu'à présent, nous avons pu nous en tirer en exploitant les richesses que nous avaient léguées les générations précédentes. Mais nous ne pouvons vivre indéfiniment de cet héritage. Parcourir le cycle complet du cinéma, des frères Lumière à nos jours, cela peut aller pour un temps. Et nous tourner vers l'étranger pour pallier à l'insuffisance de notre production locale et nationale, cela peut, à la limite, s'accepter durant une courte période de transition.

Mais si nous allions nous contenter d'être des consommateurs de la culture et des importateurs de produits culturels étrangers, nous risquerions bientôt de ne plus voir le monde qu'avec les yeux des autres. Nous renoncerions à construire notre propre imaginaire, notre propre façon de rêver et de vivre notre destin personnel et collectif. Bref, la vie de l'esprit s'étiolerait en terre canadienne et notre culture se viderait rapidement de sa propre substance.

Pour éviter cette hémorragie de nos forces vitales, et garder chez-nous des centaines d'emplois que réclament à juste titre nos écrivains, nos cinéastes, nos artistes et nos réalisateurs, il faut empêcher que nos producteurs, c'est-à-dire nos radiodiffuseurs, ne soient injustement écrasés par la concurrence des stations américaines importées par le câble. Il faut également faire en sorte que le câble ne draine pas au profit des moyens de diffusion des fonds, qui devraient aller à la production.

Et pour faire tout celà, il faut, de toute évidence, qu'une même autorité ait la main haute à la fois sur la radio-diffusion et sur la câblodiffusion.

Je ne dis pas cela pour exclure les autorités provinciales du domaine du câble, ni même du domaine de la radio-diffusion. Et je le ferai bien voir dans un instant. Mais je crois qu'il doit y avoir quelqu'un qui ait la responsabilité dernière de maintenir, partout au pays, un juste équilibre

entre les fonds et les énergies qui vont à la production, et ceux qui vont au développement de nouveaux moyens de diffusion. Il y va de l'avenir culturel de tous les canadiens, aussi bien anglophones que francophones.

Ce qui m'amène à vous parler de l'unité canadienne, qui est la dernière mais non la moindre des raisons qui soutendent mes convictions en matière de communication.

Dire du chemin de fer qu'il a rendu possible la confédération canadienne en soudant ensemble les diverses régions et provinces du Canada est devenu un lieu commun. Et l'on a l'impression d'énoncer un truisme en affirmant que les télécommunications ont pris la relève du transport, et qu'elles sont aujourd'hui indispensables à la survie de ce pays, vaste comme un continent, et dont la population clairsemée ne saurait avoir d'image d'elle-même que celle que lui renvoient les grands média électroniques.

N'empêche que ces vérités mille fois redites sont porteuses de sagesse pour qui s'intéresse à l'avenir du Canada.

Il est clair que la balkanisation des systèmes de communications du pays ne saurait entraîner à la longue qu'une balkanisation des mentalités, et la destruction du vouloir-vivre collectif indispensable à la survie du peuple canadien. Aucun canadien conséquent ne saurait accepter de travailler au démantèlement des systèmes de communications qui sont les artères et le sang même de ce pays.

Certains me diront sans doute que le Canada est un pays impossible et utopique. Je leur répondrai que cela est vrai de toutes les grandes aventures qui invitent l'homme à dépasser ses tendances à l'esprit de clocher et au nationalisme étroit pour s'engager dans une communauté plus vaste, sans cesse à reconstruire et à rescaper des assauts d'un régionalisme à courte vue.

Ceci dit, je ne voudrais pas donner l'impression de prôner un fédéralisme centralisateur et insensible aux revendications des provinces. Je reconnais volontiers que les gouvernements provinciaux ont des intérêts majeurs et légitimes dans le domaine des communications.

Il est évident que la radiodiffusion et la câblodiffusion touchent de très près certains champs de responsabilité provinciale, tel, par exemple, celui de l'éducation. Et il est non moins évident que les télécommunications, en général, affectent des domaines de responsabilité mixte, comme celui de la culture et de l'économie, auxquels les provinces, tout comme le gouvernement fédéral, accordent une très grande importance. Il est clair, également, que les gouvernements provinciaux ont besoin de certains services de radiodiffusion et de télécommunications pour accomplir leurs tâches dans bien d'autres secteurs de leurs activités.

Les provinces se préoccupent donc, à bon droit, de la façon dont les autorités et les institutions fédérales s'acquittent

de leurs responsabilités. Et elles sont tout à fait justifiées de réclamer une voix au chapitre, lorsque certaines politiques, certaines décisions, ou même certains gestes des instances fédérales mettent directement ou indirectement en cause l'aptitude des autorités provinciales à s'acquitter de leurs tâches propres. Les provinces ont même raison d'affirmer que, pour régler certains aspects locaux des télécommunications, elles sont aussi bien placées que le gouvernement fédéral.

J'irai encore plus loin. Dans le cas du Québec, compte tenu des inquiétudes légitimes que nous, francophones, entretenons sur notre avenir en terre nord-américaine, je comprends tout à fait les autorités provinciales de vouloir se donner les moyens d'assurer la "sécurité culturelle" des Québécois de langue française. Et j'espère n'être jamais un obstacle à ces justes aspirations.

Mais après ce que je viens de dire sur la nécessité d'une présence fédérale forte dans le domaine des communications, on comprendra facilement qu'il ne saurait être question, pour moi, d'un transfert massif de pouvoirs en faveur des provinces. Le voudrais-je, que j'en serais d'ailleurs incapable, puisque les changements constitutionnels ne relèvent pas de ma compétence de Ministre des communications.

S'il fallait, en conséquence, que nous nous enfermions dans une politique du tout ou rien, du "chambardons la constitution ou contentons-nous du statu-quo", j'aurais peur que nous

ne puissions aller très loin. Mais est-ce bien là la façon la plus sage d'assurer la "sécurité culturelle" des Québécois francophones?

On peut en douter. Et j'estime, pour ma part, que nous n'avons rien à gagner à nous obstiner dans des voies sans issues. Ce qu'il nous faut, c'est prendre un nouveau départ, et explorer ensemble des chemins plus humbles, mais également plus susceptibles de nous mener à des résultats concrets en matière de communications et de culture.

Déjà, par exemple, le gouvernement fédéral a reconnu le droit des provinces en matière de radiodiffusion éducative. Et depuis cette entente, survenue en 1970, le Québec et l'Ontario se sont dotés de services de télévision éducative. Ces deux provinces diffusent, désormais, à partir de leurs propres antennes. Et ceux qui ont pu voir les émissions de Radio-Québec ont sans doute constaté que le Québec a pu se donner, par la même occasion, une véritable chaîne de télévision culturelle.

Mais si les Québécois sont d'avis que la télévision éducative ne saurait, à elle seule, satisfaire leurs aspirations, je suis prête à examiner la possibilité de permettre aux provinces de se doter d'agences indépendantes qui pourraient se lancer dans la radiodiffusion générale. Bien sûr, il faudra examiner soigneusement l'impact d'une telle politique sur l'équilibre de l'ensemble du système canadien de radiodiffusion, car nous avons toujours estimé

qu'il était nécessaire de protéger ce système d'une fragmentation excessive qui mettrait en cause l'existence même de certaines entreprises de radiodiffusion. Mais je suis tout à fait disposée à explorer cette nouvelle voie avec les provinces.

Les francophones du Québec seraient alors en mesure d'influencer puissamment le cours de leur destin culturel. D'autant plus qu'ils sont déjà massivement présents à Radio-Canada, et qu'ils y disposent, depuis toujours, d'un instrument extraordinaire de promotion et de diffusion de la culture et de la langue française.

Des Plouffes à la Petite patrie, en passant par les téléthéâtres de Dubé et de Tremblay, c'est l'âme québécoise, dans toute sa vérité, que Radio-Canada a révélé aux gens d'ici. Et combien d'interprètes et de créateurs québécois auraient trouvé ailleurs un terrain plus favorable à la libre éclosion de leurs talents? Mais si l'on estime pouvoir faire mieux et plus que la Société Radio-Canada, je serais vraiment mal venue d'être fermée d'avance à cette idée.

Par ailleurs, le gouvernement fédéral a offert aux autorités provinciales de participer au pouvoir de décision du nouveau CRTC en matière de couverture et de services. Les provinces ont rejeté un peu trop rapidement, à mon sens, ce qu'elles ont appelé un simple pouvoir de consultation, sans possibilité réelle de faire valoir leurs priorités, en particulier

leurs priorités culturelles. On n'a jamais même tenté de négocier des ententes concrètes pour savoir jusqu'où le gouvernement fédéral était prêt à aller dans ses offres. Il serait peut-être temps qu'on s'y mette.

Dans le domaine de la câblodiffusion, on nous a également dépeints comme des intransigeants, enclins aux avocasseries et friands de chasse aux antennes.

Ce qu'on ne dit jamais, c'est que nous étions et que nous sommes toujours disposés à envisager la possibilité de confier aux autorités provinciales certaines responsabilités sur des aspects locaux du câble. Pourvu, bien sûr, que des mécanismes précis de coordination puissent être mis au point, pour veiller au développement rationnel de nos systèmes de communication. Et la Phase II de notre Législation sur les télécommunications pourrait fort bien comporter une clause permettant au Ministre des communications de déléguer des pouvoirs aux provinces, si les négociations en cours conduisaient à des accords.

Je le dis d'ailleurs sans hésiter, si le problème de Rimouski et de Mont-Joli était clairement dissocié des prétentions du Québec à vouloir exercer une compétence quasi-exclusive sur la câblodiffusion, il y aurait moyen de trouver des solutions satisfaisantes. Mais jusqu'à présent du moins, cela n'a pas été possible. J'ai bon espoir, toutefois, d'en

arriver à une entente sur toute cette question avec mon collègue, monsieur Denis Hardy.

Si nous réussissons, encore une fois, à nous sortir de la logique du tout ou rien, le Québec pourrait fort bien, dans un assez proche avenir, exercer des pouvoirs tout à fait légitimes sur un bon nombre d'aspects locaux, mais fort importants, de la câblodiffusion. Et ces pouvoirs pourraient s'avérer tout à fait vitaux, si l'on songe, en particulier, à l'impact culturel de la câblodiffusion sur toutes ces petites communautés dont la vitalité m'apparaît indispensable à la sécurité culturelle du Québec.

Plutôt que de travailler sournoisement à l'aculturation de ces groupes humains, en important massivement une production culturelle qui leur est étrangère, le câble devra de plus en plus aider ces communautés à prendre conscience d'elles-mêmes, de leur originalité, de leur style de vie et de leurs valeurs propres. C'est seulement à ce prix, qu'au Québec et partout au Canada, nous réussirons à combattre efficacement le rouleau compresseur de la culture et de la civilisation américaine que la câblodiffusion essaime à la grandeur du pays.

En exerçant une influence déterminante sur cette vocation locale et communautaire du câble, le Québec détiendrait, donc, là encore, une clé importante de sa sécurité culturelle.

Quant au danger d'invasion culturelle que les super-satellites de l'avenir font peser sur tous les Canadiens, et sur les Québécois francophones en particulier, j'ai déjà fait voir qu'il n'y avait qu'un moyen efficace de le combattre.

Et ce moyen, pour le Québec, ce n'est pas de s'isoler, mais au contraire d'être partie prenante à l'aventure canadienne. Car à 20 millions de Canadiens, nous ne serons pas de trop pour nous payer un super-satellite qui parle français, et qui respecte la réalité bilingue et biculturelle de ce pays.

Mais bien au delà de toutes ces questions de contrôle et de réglementation des systèmes de communications, il me semble que la sécurité culturelle du Québec repose, en fin de compte, sur la vitalité et l'esprit d'entreprise des créateurs et des diffuseurs de la culture française en Amérique.

On aura beau multiplier les équipements, et changer les titres de propriétés sur les instruments de communications qu'on met à la disposition de la collectivité québécoise, si on ne crée pas en même temps un climat de liberté propice au foisonnement des idées créatrices, on bâtit la sécurité culturelle du Québec sur du sable.

Et comme je le rappelais récemment, la sauvegarde de ce climat de liberté, indispensable à notre épanouissement culturel, suppose que nous respections tous la seule et unique souveraineté qui vaille en matière de culture, celle de l'artiste, de l'écrivain, de l'interprète et, en général, de tous les agents culturels.

Voilà pourquoi il m'apparaît oiseux de nous disputer entre gouvernements, pour savoir qui est responsable ou non dans le domaine culturel. A bien des égards, nos Etats modernes ont remplacé les grands mécènes d'autrefois, et la multiplicité des mécènes a toujours été un gage d'indépendance et de sécurité pour les esprits créateurs capables d'engendrer le renouveau culturel.

Il serait donc regrettable, que cesse une certaine émulation entre le gouvernement fédéral et les provinces en matière de soutien aux arts et à la culture. Et je trouverais malheureux que le Québec se comporte comme s'il préférerait limiter le développement de sa culture plutôt que d'accepter un encouragement qui ne vient pas directement de lui.

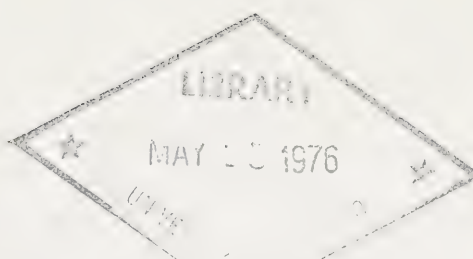
Ce qu'il faut, au contraire, c'est multiplier les sources de revenus pour nos créateurs et nos interprètes, tout en éliminant la concurrence nuisible, par une meilleure coordination des efforts déployés par les divers paliers de gouvernement.

En somme, si l'on se montre ingénieux, et si l'on quitte les débats idéologiques pour se parler entre hommes et femmes de bonne volonté, je suis assurée que nous pouvons nous entendre pour oeuvrer à la "sécurité culturelle" des Québécois, sans pour autant sacrifier l'autorité du fédéral sur l'ensemble des systèmes canadiens de communications, ou sa présence dans le domaine de la culture.

Au moment d'entreprendre une tournée des provinces, c'est donc par une offre de dialogue que je veux terminer mes propos.

J'ai tenté d'exposer ici, en toute honnêteté, la façon dont j'aborde la question des relations fédérales - provinciales dans le domaine des communications. Et j'espère avoir montré que je suis ouverte aux discussions.

Le dialogue et la négociation ne sont pas choses faciles, j'en suis fort consciente. Mais je sais également que nous devons en faire un mode de vie à l'intérieur de la confédération canadienne. Surtout en cette époque où la mondialisation des problèmes forcent tous les gouvernements à sortir de leur souveraineté étroite pour explorer ensemble les voies de l'ordre mondial.



PROBLEMS AND RESPONSIBILITIES
IN BROADCAST PROGRAMMING -
WHERE TO FROM HERE?

NOTES FOR A SPEECH
BY THE HONOURABLE JEANNE SAUVÉ
MINISTER OF COMMUNICATIONS
AT THE ANNUAL MEETING OF
THE CANADIAN ASSOCIATION
OF BROADCASTERS
IN OTTAWA
MONDAY, APRIL 26th, 1976



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I would like to say first that I am pleased to have the opportunity of congratulating you on the fiftieth anniversary of the founding of the Canadian Association of Broadcasters. In this past half century, broadcasting has developed into the most influential and pervasive entertainment and information source in the world. In Canada, broadcasting serves the important function of connecting and facilitating the sharing of experiences across an immense land mass, sparsely populated, and with regional sentiments and divisions apparent. We have one of the most complex broadcasting systems in the world - a system which has required careful guidance and coordination, and which is the result of decades of effort and dedication. And in that work, private broadcasters have played a critical role.

Private broadcasters have promoted the spread of radio and television service throughout the country, have contributed to the development of the Canadian program production industry, and have provided an alternative to the public broadcasting service. The partnership of public and private broadcasters has not always been an easy one, motivated as each sector is by different goals and influences. And I know that the private sector has not always been pleased with the role played by government in broadcasting. Yet each of us has a role to play, and a responsibility to ensure that quality broadcasting service is provided to the public . Sometimes we have different ideas as to how this is to be accomplished, but I think we at least agree on that general objective.

Today, none of us can afford to rest on the laurels of past accomplishments. Canadian broadcasting is faced with problems of sufficient magnitude that our closest attention is still required. Some of these problems are not new; many of the solutions that have been attempted in the past have not been sufficiently effective. What we are looking for are new approaches to the implementation of broadcasting policy. I am determined to contribute to the seeking out of new solutions. Existing structures, arrangements or practices should not stand in the way. You as private broadcasters must take an active part in this endeavour. There are many broadcasting problems to which I don't know the answers or to which only unsatisfactory answers are known. I would like to hear your views on these problems, and your suggestions for solutions. But most of all, I am sure you recognize that it is up to you to take on a significant and just share of the responsibility.

The problem I would like to discuss today is programming. This is not to imply that we do not have serious problems in extending broadcasting service throughout the country. Certainly, the complaints we get about our slowness in this matter would indicate that we still have a lot to do. But generally speaking, we know what to do - it's primarily a matter of money and time before it gets done.

If there is a singular problem today, it is the domination of our airwaves and our cable systems by American programs. This

is an obvious cultural problem which will only be solved in the long term by developing Canadian alternatives that are attractive to Canadian viewers. There is, however, an immediate problem of major magnitude and we must take steps to solve it: that is the extent of violence on television.

I get letters daily - and I'm sure you do too - protesting the amount of violence on television, especially during the hours children watch television, and demanding that something be done. There is a fear - a public fear - of the influence that violent television programming exerts on our society. There have been too many examples of robberies, assaults, and killings, carried out in an eerily identical fashion to the crimes portrayed on TV.

In the view of the public, the link between televised violence and violence in society is easily drawn, and similarly, the solution seems equally clear - stop TV violence and you stop violence in the streets. But in fact, the relationship is not so obvious, nor is the solution so simple. A lot of time and money has been spent studying this question both here and in other countries.

And as a result of this massive effort, what have we been able to determine? We know first of all that children watch a lot of television, and that much of it is violent. An American study has shown that by the age of 15, a youngster has seen more than 13,000 murders on television - an average of more than two per day. Children's cartoons have been shown to offer children about 23 violent incidents per hour. One could hardly argue that

this approaches anything close to a realistic view of life.

One feels intuitively that this cannot be good for viewers, and particularly not for children. Social scientists studying the matter have however, produced varying results on this question. Some, such as Professor Alan Bandura of Stanford University, a leading researcher in this area, have stated that:

"People who watch commercial television
for any period of time will learn a
number of aggressive tactics and
countless methods of murder".

Other eminent researchers, such as Kaplan and Singer, have concluded:

"The effects of television violence on
aggressive behaviour in the 'real
world' seems slight".

This obvious disparity in results indicates primarily that the relationship between television and violence is not a simple, direct one. Other factors play an important role in determining whether there will be an effect, and if so, the form that influence will take. For example, the child's predisposition toward aggressive behaviour is an important factor. In many of the studies, increased aggression was found only in children who already had a measurable tendency to react aggressively under specific circumstances. The child's age was also found to be important in some cases, particularly since it is related to his ability to distinguish between reality and fantasy, and to

understand the motives for, and consequences of televised violence. Other significant factors include the parent's attitude toward aggression, and toward television, as well as the relationship between parent and child. In short, there are many variables which influence the relationship between violence on television and violence in the streets.

Although somewhat conflicting, the weight of the evidence does point to a link between viewing televised violence and aggressive tendencies in children, especially among those who are more easily influenced. However, it does not indicate a clear, causal link between violence on TV and violence in society. As the evidence now stands, we simply don't know whether such a link does or does not exist.

As is the case with most human or social problems, experts seldom agree. In the issue of violence on television, for example, no consensus has yet emerged as to its social and individual effects - despite a considerable amount of research done in the field. There are those who warn of the dangers of televised violence, just as there are those who say it does no harm.

Perhaps we should be taking our cues from the general public which, without waiting for the opinions of experts, has already made its voice heard.

As early as 1970, the Davey Commission reported that 78% of Canadians then felt there was too much violence on television.

Faced with such a dramatic statistic, perhaps we should emerge from behind our mountains of studies and simply ask ourselves what motivates Canadians to come to such severe conclusions. For their conclusions do seem to be based on common sense.

There are several observations which come to mind.

The first is that viewers tend to deplore the quantity of violence on television, for some of the same reasons that they tend to complain about the quantity of sports programs. Apart from any moral or social considerations, they see a serious lack of balance.

Is it necessary, for example, to have to choose from among "Mannix", "Les incorruptibles", "Hawaii Five-O" or "D'angelo Superstar", if we don't happen to be interested in Saturday night hockey? Or must we, on Tuesday nights, settle for such a meagre menu of TV fare as "Police Woman", "Mannix", "Mission Impossible" or

"Les incorruptibles", all of which are shown simultaneously during prime time? Apart from the formalized violence of the police series, our hockey players regularly offer spontaneous bouts of fisticuffs, and the nightly newscasts bring a litany of death and violence from Vietnam, Lebanon or Ireland. Is it only through violence that the public can be entertained at all?

I don't believe this is the case. The general public has already expressed its displeasure at the amount of violence on television. It has also shown that it has little sympathy for the lack of imagination displayed by broadcasters who insist on scheduling shows such as "Mannix" at exactly the same time as "Les incorruptibles" or "Mission Impossible", offering virtually no substantive viewer choice.

Most viewers also seem to deplore what appears to be a widening gap between the reality of Canadian life and the vision of reality presented to us via television. Intuitively, we know that Canadian society is not as violent as we would be led to believe by the never-ending round of police series offered on CTV, TVA, Global and the CBC.

Unlike the United States experience, our society was not forged at the end of a rifle. It is true, that it was through the force of arms that English and French were brought together in Canada. But since then, it has been mainly through the tools of negotiation and compromise that we in Canada, both English and French, have tried to build our country.

The desire to build a society founded, not on violence, but on respect for the diversity of groups and individuals, is one of the most fundamental aspects of Canadian society - an aspect which, I feel, distinguishes us from our neighbours to the south.

In the past, we avoided importing the American Revolution to Canada and resisted the rougher brands of frontier justice. Are we today going to capitulate by importing through television, the violence we have rejected in the past?

Although I ask the question, for me the answer is not in doubt. Violence, on television or off, is not a predominant Canadian social trait. Its importation on a massive scale, goes against our own, firmly-based traditions. It risks damaging our spirit as it risks changing our cultural and social values.

It is hardly suprising, therefore, that Canadians feel somewhat ill at ease by the pervasiveness of violence on television. And it is not suprising that Canadians cannot readily identify with the kind of society habitually portrayed in the police series.

But it goes further than that. The uneasiness probably arises because violence is such an anathema to our deeply rooted moral values.

Perhaps, in the face of the possible consequences, we should halt the trend or should at least exercise caution.

The experts continue to debate whether violence on television tends to impart violent attitudes or behaviour on the part of the viewer. As long as the jury is out, there is room

for doubt.

The fact that this doubt exists should be reason enough to exercise caution. But even those who defend violence in television programming are unable to point to any redeeming social value.

At best, television violence may be harmless. But even if this were the case, these kinds of programs offer nothing positive for the viewer. Some have argued that the imaginary violence on television serves as a kind of safety valve to dissipate the individual's tendencies toward violence in real life. But in the face of evidence to the contrary, that particular theory seems dead, and is better left that way.

Others search in vain for some virtue in televised violence. But it is obviously not through violence that we will educate our youth in the lessons of tolerance, of respect, of compassion for those less fortunate, and of the need for cooperation and honest dialogue so fundamental to our way of life.

Encouraging easy solutions through violence, brutality and even murder, not only appeals to the base instincts of man, but tends to destroy the sense of compromise without which civilized life is impossible.

It is evident then that there is little virtue in violence-oriented television programming.

And as long as there is a risk that violence on television may precipitate real violence, it is clear that we should question seriously the wisdom of inundating viewers with this kind of programming for the sake of ratings or of making a buck.

But inundated we are. What is it that compels broadcasters to increase the number of violence-oriented television programs? Why have broadcasters completely disregarded the strongly expressed public opinion against violence on television as reported in the Davey Commission? Lets look at the question for a moment.

So what's the answer? I know what you are going to tell me. You will say that the audiences want violent programming - just look at the ratings. You will say that even if we changed our programming, cable and U.S. border stations have made U.S. programs available to over 65% of Canadians anyway. So the availability of violent programs will not diminish, but the audience share of Canadian stations will drop. You will say that the production in Canada of non-violent Canadian quality shows is a costly, very risky venture and that Canadian broadcasters cannot compete in the dollar sweepstakes, especially given the government's extension of service priorities. And I'm sure you will tell me that non-violent programs with audience appeal are just not available for purchase in the U.S.

I must acknowledge that there is something to these arguments. But surely they represent only half the story. Surely you are not saying that Canadian private broadcasting stations must be an imitation of American stations in every way. Surely you are not saying that the only difference between Canadian stations and U.S. stations is hockey, CFL football and your call letters. I cannot accept that news and views is the only programming that will make Canadian stations distinguishable from American stations. The Broadcasting Act states that the airwaves are a public trust - you have been given a piece of public property, not to imitate America and the American approach but to give Canadians programming that is varied and comprehensive, to provide reasonable, balanced opportunity for expression of differing views, and to reflect Canada to Canadians.

I am fully aware of why we are in this situation. A broadcaster's profits are directly related to his audience ratings, and if he is to maximize profits, he will select programs which he knows will yield the highest ratings at the lowest price. Our proximity to the United States aggravates our problem. The U.S. makes available programs which are cheaper than those produced in Canada, and which have known audience ratings. Thus the trend toward using more and more American programs is easy to understand.

But what effect does this trend have on Canadian television? We know for one thing that it contributes to the amount of violence available to Canadian viewers, since U.S. programs tend to be more violent than those produced in Canada. For example,

the CRTC recently conducted a study in Toronto, and found that 47% of American imports were considered violent, while only 3% of Canadian programs were deemed violent. I realize that viewing preferences are such that there is a great demand for American programs. And as a result, U.S. programs are bought by Canadian networks, are imported by Canadian cable systems, and in many cities and towns are received directly off-air. However, for those who do not want to watch violence, the alternatives are few and often unattractive.

Viewer choice is further limited by the tendency among program producers to imitate successful programs - which usually means programs with high audience ratings. The action adventure formula, which is usually extremely violent, often draws large audiences, and as a result, violence increasingly predominates our TV schedules.

This trend is dangerous and we must not allow ourselves to be carried away by it. There is considerable dissatisfaction with the situation and there are demands that the broadcasting system take steps to rectify it. One alternative that I have already mentioned is tantamount to censorship. This has been suggested under various names as a means of controlling violence on TV, and also as a means of controlling other forms of objectionable material. At present, the Government, through its regulatory body, exercises general control over content by requiring licensees to produce programs in each of several broad categories of programming, and by prohibiting the broadcasting

of material which does not respect a rather broad definition of "good taste".

Frankly, I would not want the Commission or the Government more closely involved in specific matters relating to the content of broadcast programming. The idea is repulsive to me, and it is certainly one which would meet with a great deal of public protest once its implications were fully recognized. I also think it would be an unfair burden to impose on the CRTC. Judgements as to what would and would not be acceptable are very difficult. Public taste and values vary considerably - what is objectionable to one person or group is quite acceptable and to be encouraged in the view of another. And I don't think the Government ought to be making these decisions.

I fear that I am almost pleading with you to assume your rightful role and share in preserving and building the Canadian cultural fabric. I for one am very aware of the limits that are placed on government involvement in cultural activities and their financing. While I am a strong supporter of the CBC and I believe that it has a crucial role to play in developing Canada's heritage, it cannot do it alone - nor should it. You the private broadcasters have been entrusted with a public good and a public trust which you must fulfil if we are not to become a pale imitation of our neighbour to the south. We cannot deny that in many ways American values and interests are Canada's values and interests. But surely we are different and there is something worth preserving in that difference. And I categorically refuse to accept that

Canadian private broadcasters are overwhelmed and cannot rise to "Le défi américain".

I recognize that Americans are masters at packaging light entertainment. In fact, statistics for 1971 indicate that U.S. program producers exported 150,000 hours of TV programming throughout the world. What amazes me is how dismal our performance has been. In that same year Canada exported only 500 hours of TV programs, an amount which even places us behind Mexico (1300 hours), Japan (1500-2000 hours) and Italy (4000 hours). This would seem to indicate that our problem is not just one of competing with the Americans. We are obviously failing to meet international standards and there is something fundamentally wrong with the Canadian product that not even a lack of money can explain away.

What further upsets me is the indiscriminate importation of programs of dubious taste representing a set of values which are repugnant to most Canadians and to an increasing number of Americans. What upsets me is the use of audience ratings as the sole gauge when importing U.S. programs. You have a responsibility as the private sector of the national broadcasting system - not to act as censors - but to represent and offer Canadian values. The responsibility for quality and balanced programming does not rest solely on the shoulders of the CBC. You both share equally in the responsibility of programming and signal extension.

It would be naive of the Government not to recognize the significant financial constraints under which you must function. You must sometimes feel whipsawed between the competing demands of the Government and the public, that you both extend your signal to all corners of Canada with haste and the demands that you improve the quality of your programming. I can almost see the look and question on your face - that's all very fine Madame Minister but where is the money for these laudable demands. Do you realize what our profits are?

My answer is that I am not expecting basic change overnight. I realize that all these demands have one thing in common. They require money. I wonder, however, whether placing all the onus on funding is really not a useless exercise. There is no denying that funds are important. But are they by themselves going to result in improved programming? Frankly, I doubt it. Money will help both the private broadcasters and the CBC. But it is not the whole answer. As I mentioned earlier, broadcasters pamper and cater to tastes that they help create and generate. I therefore believe that there is a real role that private broadcasters can voluntarily assume, not to act as censors but to develop and cater to good taste and variety.

Perhaps you are catering to what the public wants. But public taste is a capricious thing and woe to the broadcaster who is not sensitive to change. The TV fare offered this year by American producers has proved to be nothing short of disastrous, and while you are searching for the reasons you should consider

the analysis of former CBS News president Fred Friendly:

" I think of commercial television like Times Square. In trying to make more money, the lowest common denominator was catered to. And now TV entertainment, like Times Square is nothing more than a slum".

I understand that viewing in Toronto, the key market for English language television, has been declining since 1973. The fact is that the early fall BBM ratings for 1975 indicate that there were more than 6 million fewer hours of viewing per week than in 1973. At the same time book sales and circulation figures for specialty magazines have increased. The observed trend in society is already from mass cultural dissemination toward cultural fragmentation. Are you, the private broadcasters, becoming the Saturday Evening Post, the Colliers of the Life Magazine of the 70's? Are you so locked into your ratings objectives - your competitive stance with other mass media broadcasters - that you don't realize that all of you together could be losing your credibility and your viewers? The Government and the regulator recognize your problems and they want to help you fulfil your responsibility.

First, the Government has introduced Bill C-58. I realize that it is taking some time to receive parliamentary approval, but the Government's commitment to this necessary piece of tax legislation is unwavering.

Secondly, the Government is committed to the CRTC's attempts to control the impact of U.S. broadcasting imported via cable. Some of the CRTC's policies have been subjected to strong attack, and no policy is perfect in all its details, but the CRTC's policy to control the impact of U.S. broadcasters who attempt to take unfair advantage of their proximity to major Canadian markets has received and will continue to receive the support of the Government.

Thirdly, this Government is willing to consider new policies to foster investment in Canadian program production and to ensure that independent program producers are given access to Canadian airwaves.

Fourth, we will consider proposals to restructure the broadcasting system to generate more efficient use of funds and to provide more opportunities for the production of good Canadian programs. This is obviously a proposal with fundamental implications for the broadcasting industry, and I would therefore like to develop it further.

Since I became Minister of Communications it has struck me that I am a Minister responsible for what up to now has been seen as 4 distinct, yet related industries; the broadcasting industry, the CATV industry, the telecommunications industry and the space industry. Perhaps a solution to the problems facing broadcasting in Canada can be found in re-examining this separation into 4 distinct industries. The very fact that we have chosen to look at responsibilities in communications as separate elements

may in itself be causing some of the problems facing us today. If it is possible for example through cross ownership between the various elements of communications to enhance the flow of funds from one part of the industry to another and hence create an atmosphere where funds were available to meet programming and extension of service priorities, then perhaps we should examine the fundamental premises which have dictated a policy limiting cross media ownership.

Many have been concerned that when communications resources are limited, ownership of these resources could lead to content control and even the possibility of the use of these media for propaganda purposes. With ownership comes an implicit control over access and excessive concentration of ownership could enable particular individuals to exercise a fundamental control over the central nervous system of a democratic society. As the number of broadcasting outlets increases, and as coaxial cable systems expand the number of alternative programming choices available in any community, these fears may be exaggerated. It is quite conceivable that CATV may allow us the flexibility to consider a new policy of cross ownership. For one thing, CATV is strictly regulated. The cable operator does not control access or content - it is the CRTC that specifies what signals the cable operator must carry. Also, cable technology allows for a diversity of signals that is not possible with strictly local off-air broadcasters.

It is not conceivable to develop a policy which would allow for some form of joint ownership of CATV and broadcasting facilities in particular communities? Is it not possible to integrate this with a policy to ensure access, by community groups or individuals, to community channels, to ensure that ownership is not used as a vehicle to limit access to media or to promote any one point of view?

Obviously there would be no point in entertaining any change of policy of this nature unless the capital thus made available would be used to meet extension of service priorities and to improve programming. If the benefit of shareholders is important, it is not the only consideration. I am absolutely convinced that unless we take direct action immediately to enhance the production capability of Canadian broadcasters, Canadian broadcasting will go the way of the Saturday Evening Post.

We have covered extensive ground in this speech. I am most concerned with the problem of violence on television and I am sure I reflect the concerns of many Canadians when I say that it is absolutely necessary to have a broadcasting system that reflects the culture and values of Canadians. To my mind, obviously the answer is twofold. You, the broadcasters, must exercise your responsibilities to go beyond being just passive transmitters of American programming and to exercise an active role in the development of good programming alternatives. I am optimistic that you will rise to this challenge. I was heartened, for example, to note in a recent decision of the CRTC the

development of a children's programming channel by some Toronto cable operators. As the CRTC stated, " The Commission is particularly interested in this experiment because of the mounting concern for the number of violent programs available to children when positive Canadian programming for children might offer constructive viewing alternatives ".

At the same time, I hope that we will all agree that the Government too has a role to play; it is our job to establish the appropriate environment and to assist you to ensure that financial problems do not prevent achievement of the objectives of the Broadcasting Act. This Government is committed to positive action and I would hope that we can together build a broadcasting system that will be the pride of all Canadians.

PROBLÈMES ET RESPONSABILITÉS
EN MATIÈRE DE PROGRAMMATION-
QUE NOUS RÉSERVE L'AVENIR?

NOTES POUR UNE ALLOCUTION
DE L'HONORABLE JEANNE SAUVÉ
MINISTRE DES COMMUNICATIONS
LORS DU CONGRÈS ANNUEL
DE L'ASSOCIATION CANADIENNE
DES RADIODIFFUSEURS
À OTTAWA

LE LUNDI 26 AVRIL 1976



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Avant de m'attaquer au vif du sujet, j'aimerais tout d'abord vous offrir mes félicitations à l'occasion du cinquantième anniversaire de fondation de l'Association canadienne des radiodiffuseurs. Au cours de ce demi-siècle, la radiodiffusion a connu un tel essor qu'elle est devenue, partout dans le monde, la source par excellence du divertissement et de l'information. Au Canada, la dispersion de la population sur un immense continent, et les tendances aux régionalismes qui en découlent, font que la radiodiffusion joue également un rôle indispensable d'agent unificateur. Elle rapproche les gens et elle leur permet de partager leurs expériences. Nous disposons en conséquence de l'un des systèmes de radiodiffusion les plus perfectionnés et les plus complexes au monde. Un système dont le développement et la coordination ont demandé des soins attentifs et des décennies d'efforts inlassables. Et, dans tous ces travaux, les radiodiffuseurs du secteur privé ont joué un rôle vital.

Les radiodiffuseurs privés ont favorisé l'expansion des services de radio et de télévision à travers le Canada. Ils ont contribué au développement d'une industrie de production vraiment canadienne. Et ils ont livré une saine concurrence aux services de radiodiffusion du secteur public. Certes, la collaboration entre les radiodiffuseurs publics et privés n'a pas toujours été chose facile, chaque secteur étant motivé par des objectifs et des

influences différents. Et je sais que le secteur privé n'a pas toujours été satisfait du rôle joué par le gouvernement en matière de radiodiffusion. N'empêche que chacun de nous a une fonction à remplir, et que nous avons tous la responsabilité d'assurer au public des services de radiodiffusion de qualité. Nous différons parfois d'opinion sur la façon dont il convient de le faire, mais je crois que nous nous entendons au moins sur cet objectif général.

Par ailleurs, personne ne peut se reposer sur les lauriers de ses réalisations passées. La radiodiffusion canadienne fait face aujourd'hui à des problèmes suffisamment importants pour qu'il nous soit interdit de relâcher notre vigilance et nos efforts. Certains de ces problèmes ne sont pas nouveaux, mais bon nombre des solutions que l'on a tenté de mettre en oeuvre par le passé ne se sont pas révélées assez efficaces. Ce que nous devons rechercher, c'est une nouvelle approche dans nos façons d'appliquer notre politique de la radiodiffusion. Et il ne faudrait surtout pas que nos structures, nos ententes et nos façons de faire actuelles viennent nuire à la poursuite de cet objectif. Pour ma part, je suis bien décidé à prendre ma part de responsabilité dans la recherche des nouvelles solutions qui s'imposent. Et je m'attends à ce que, à titre de radiodiffuseurs privés, vous preniez une part active à ce projet de renouveau. Il existe de nombreux problèmes en matière de radiodiffusion auxquels je ne sais quelles solutions apporter ou pour lesquels nous n'avons que des réponses insatisfaisantes. J'aimerais, en conséquence, que vous me fassiez part de vos opinions et que

vous me présentiez vos propositions en vue de résoudre ces questions. Mais, par dessus tout, je compte que vous assumerez une part importante et équitable des responsabilités dans l'application des diverses solutions que nous pourrions trouver.

Pour l'heure, j'aimerais vous entretenir surtout de certains problèmes de programmation. Ce choix ne signifie pas que l'extension des services de radiodiffusion à travers le pays ne présente aucune difficulté. Les plaintes que nous recevons au sujet de notre lenteur à régler cette question indiquent d'ailleurs, sans l'ombre d'un doute, que nous avons encore beaucoup à faire dans ce domaine. Mais, de façon générale, nous savons ce qu'il convient de faire. Et la réalisation de nos projets est d'abord et avant tout une question de temps et d'argent.

Le problème le plus important auquel nous ayons à faire face aujourd'hui, est celui de la prédominance des émissions américaines sur nos ondes et dans la programmation de nos systèmes de télévision par câble. Il s'agit là d'un problème culturel évident, qui ne sera résolu à long terme qu'en offrant aux télé-spectateurs du pays des productions canadiennes capables de concurrencer les émissions américaines. Il existe cependant un problème à court terme dont on ne saurait exagérer l'importance, et qui réclame de notre part une action immédiate. Je veux parler de la violence à la télévision.

Tout comme vous, sans doute, je reçois quotidiennement de nombreuses lettres de protestation au sujet de la quantité de

violence que nous sert la télévision, surtout aux heures où les enfants sont à l'écoute. Et tout le monde insiste pour que nous fassions quelque chose. Il existe une peur, une peur du grand public, face à l'influence possible de la violence télévisée sur notre société. Il y a déjà eu trop d'exemples de vols, d'agressions et de meurtres qui se sont déroulés de façon étrangement identique aux crimes montrés à la télévision.

Aux yeux du public, le lien entre la violence télévisée et la violence dans la société est vite établi, et la solution semble également fort claire: arrêtons la violence à la télévision et nous mettrons fin à la violence dans les rues. Mais, en fait, le rapport n'est pas si évident, et la solution n'est pas si simple qu'on le pense.

On a consacré beaucoup de temps et d'argent à l'étude de cette question, tant ici que dans d'autres pays. Et que nous ont appris ces nombreuses recherches. Tout d'abord, nous savons que les enfants regardent beaucoup la télévision, et qu'une bonne partie des émissions comportent des scènes de violence. Une étude effectuée aux Etats-Unis a démontré qu'à l'âge de 15 ans, un adolescent a déjà vu plus de 13,000 meurtres à la télévision, ce qui représente une moyenne de plus de deux meurtres par jour. On a découvert également que les dessins animés présentés aux enfants leur offrent environ 23 incidents violents à l'heure. Il serait donc difficile de soutenir que cet état de chose reflète si peu que ce soit une vision réaliste de la vie.

Intuitivement, nous sentons que cette violence ne peut être bonne pour les téléspectateurs, surtout pas pour les enfants. Des sociologues qui se sont penchés sur cette question en sont pourtant arrivés à des conclusions contradictoires. Certains, comme le professeur Alan Bandura de l'Université Stanford, sans doute le principal chercheur dans ce domaine, ont affirmé que:

" Les gens qui regardent la télévision commerciale pendant une période de temps suffisamment longue apprendront quantité de tactiques agressives et d'innombrables façons de commettre des meurtres."

D'autres chercheurs éminents, tels Messieurs Kaplan et Singer ont conclu que:

" Les effets de la violence télévisée sur le comportement agressif dans le "vrai monde" semblent peu marqués."

Cette disparité évidente dans les résultats indique principalement que le rapport entre la télévision et la violence n'est pas simple et direct. D'autres facteurs peuvent jouer un rôle important lorsqu'il s'agit de déterminer s'il y aura influence et, le cas échéant, quelle forme prendra cette influence. Par exemple, la prédisposition de l'enfant à adopter un comportement agressif constitue un facteur important. Dans bon nombre d'études, on n'a noté une augmentation de l'agressivité que chez les enfants qui avaient déjà une tendance appréciable à réagir de façon agres-

sive dans des circonstances précises. Dans certains cas, l'âge de l'enfant s'est également révélé important, car il détermine le plus souvent l'aptitude à distinguer le réel de l'imaginaire et à comprendre les motifs et les conséquences de la violence télévisée. Parmi les autres facteurs importants, on retrouve également l'attitude des parents envers l'agressivité et envers la télévision, ainsi que la relation entre les parents et l'enfant. Bref, il existe de nombreuses variables qui influent sur le rapport entre la violence à la télévision et la violence dans les rues.

Bien que certains doutes subsistent, il semble donc y avoir des preuves qu'il existe un lien entre la violence à la télévision et le développement des tendances agressives chez les enfants. Ce qui ne signifie pas cependant qu'il y ait un rapport clair de cause à effet entre la violence à la télévision et la violence dans la société. Au point où nous en sommes, il est tout simplement impossible d'affirmer si un tel lien existe ou n'existe pas.

Comme pour la plupart des problèmes où tout l'humain est en cause, les experts ne réussissent donc pas à s'entendre sur les effets réels de la violence télévisée. Et parce que leurs recherches scientifiques n'aboutissent à aucune conclusion indubitable, ils s'empressent de renvoyer dos à dos ceux qui dénoncent les dangers de la violence à la télévision et ceux qui la tiennent pour inoffensive.

Mais le bon sens étant la chose la mieux partagée au monde, comme disait Descartes, le grand public n'a pas entendu

l'avis des experts pour se faire une opinion sur le sujet. Et déjà en 1970, la Commission Davey rapportait que 78% des Canadiens trouvaient qu'il y avait trop de violence à la télévision.

Devant une donnée aussi éloquente, il faut cesser de se réfugier derrière des montagnes d'études et nous interroger une bonne fois sur les raisons de simple bon sens qui motivent ce diagnostic sévère de la part des téléspectateurs canadiens.

Pour ma part, j'aimerais avancer quelques explications qui me semblent pertinentes.

La première est que les téléspectateurs s'opposent à l'abus des émissions violentes un peu comme ils désapprouvent la multiplication désordonnée des émissions sportives. Indépendamment de toute considération d'ordre moral ou social, ils y voient un problème très sérieux d'équilibre dans la programmation.

Est-il vraiment nécessaire de nous forcer à choisir entre "Mannix", "Les incorruptibles", "Hawaii Five-0", et "D'Angelo Superstar", si par hasard nous ne sommes pas intéressés à regarder la partie de hockey du samedi soir? Et le mardi soir, avons-nous vraiment besoin d'un menu tel que "Police woman", "Mannix", "Mission impossible" et "Les incorruptibles", tout ça regroupé dans la courte période allant de 21 heures à 22.30 heures?

A part les séries policières, n'y a-t-il que les combats de boxe de nos joueurs de hockey, ou les images de violence au Vietnam, au Liban ou en Irlande qui réussissent à capter l'attention des téléspectateurs?

Bref, n'y a-t-il que la violence sous toutes ses formes qui réussisse à divertir le public?

Pour ma part, je ne le crois pas. Et j'en dirai un mot plus loin. Pour le moment, j'aimerais simplement souligner qu'en se prononçant aussi clairement contre l'abus des émissions violentes, le grand public dénonce sans équivoque le manque flagrant d'imagination des radiodiffuseurs qui ne savent concurrencer "Mannix" qu'en lui opposant à l'horaire "Les incorruptibles" ou "Mission impossible".

Mais les téléspectateurs dénoncent également, et c'est ma deuxième hypothèse, le divorce de plus en plus marqué qui s'est creusé entre la vie réelle des hommes d'ici et l'image que nous en renvoie notre télévision. D'instinct, les gens sentent bien que la société canadienne n'est pas aussi violente que ne le laisse croire la multiplication des séries policières dans la programmation de C.T.V., de T.V.A. ou même de Radio-Canada.

En effet, contrairement à ce qui s'est passé aux Etats-Unis, notre société ne s'est pas construite à la pointe du fusil. Et si le sort des armes a forcé français et anglais à cohabiter au Canada, c'est par la voie de la négociation et du compromis que nous avons tenté depuis de nous bâtir un pays.

Ce désir de construire ici une société moins violente et plus respectueuse de la diversité des groupes et des personnes a d'ailleurs été l'un des traits fondamentaux qui nous a, de tout temps, distingués de nos voisins du sud.

Nous avons dû pour cela refuser d'importer au Canada la Révolution américaine et la justice expéditive du Far-West. Allons-nous aujourd'hui importer par l'image cette violence que nous avons refusée dans les faits?

Je vous pose la question, car pour moi la réponse ne fait aucun doute. Importer massivement des émissions violentes de l'étranger, c'est aller à contre courant de notre histoire, c'est violenter le génie du peuple canadien, et c'est risquer de modifier en très peu d'années la trame culturelle que nous avons patiemment tissée depuis la naissance même de ce pays.

Il n'est donc pas étonnant que les Canadiens se sentent mal à l'aise face au phénomène de la violence, et qu'ils refusent de se reconnaître dans le type de société que leur dépeint les séries policières télévisées.

Mais leur refus va plus loin que cela. Il s'enfonce au plus profond de leur conscience morale, et s'inspire du vieil adage qui veut qu'en cas de doute on s'abstienne, ou du moins, on fasse preuve de prudence.

Or, lorsqu'on assiste au spectacle d'experts qui se disputent à qui mieux pour savoir si la violence télévisée entraîne ou non des comportements violents chez les téléspectateurs, le moins qu'on puisse dire est que les choses ne sont pas évidentes, et qu'il y a place pour le doute.

Celà devrait suffire pour commander la prudence.

D'autant plus, que même les défenseurs des émissions violentes ne leur trouvent aucune valeur rédemptrice particulière. Au mieux, la violence télévisée ne causerait aucun tort, mais par contre, elle n'apporte rien de positif à celui qui s'en nourrit. Certes, on a bien tenté de ressusciter la vieille théorie aristotélicienne de la catharsis, selon laquelle la violence vécue au niveau de l'imaginaire ferait disparaître le besoin de violence réelle. Mais devant l'évidence du contraire, la théorie de la catharsis est morte de sa belle mort.

On chercherait donc en vain les vertus de la violence télévisée. Et ce n'est certes point elle qui éduquera nos jeunes et nos moins jeunes à la tolérance, au respect des autres, à la protection des petits et des faibles, et en général, aux besoins de coopération et de dialogue civil qui sont les fondements mêmes de notre société.

Encouragez les gens à penser qu'on peut trouver une solution rapide à tous nos problèmes en faisant appel à la force, à la brutalité et même au meurtre, c'est non seulement exploiter les instincts les plus bas et les goûts les plus vulgaires du public, mais c'est travailler également à la destruction de cette volonté de non-violence sans laquelle il n'est point de vie sociale et civilisée qui tienne.

Nous voilà donc obligés de conclure, qu'en l'absence de toute valeur rédemptrice de la violence télévisée, et du fait qu'elle risque d'entraîner à la violence réelle des êtres qui y

seraient disposés par leur personnalité ou leur milieu, on ne devrait pas abuser des émissions violentes et les mettre à l'affiche en n'importe quelle quantité, à n'importe quelle heure, et pour n'importe quelle raison de "ratings" et de gros sous.

Pourtant, c'est le contraire qui se passe. Qu'est-ce donc qui pousse les radiodiffuseurs à multiplier les émissions violentes en faisant fi de la réprobation exprimée par la vaste majorité des Canadiens lors de l'enquête Davey? C'est à cette question que je voudrais maintenant m'arrêter un instant.

Je sais d'ailleurs ce que vous me répondrez. Vous me répondrez que les téléspectateurs veulent les émissions violentes; les cotes d'écoute en témoignent. Vous me répondrez que même si nous modifions notre programmation, les compagnies de télécâble et les stations frontalières américaines continueront de toute façon à distribuer les signaux des Etats-Unis à plus de 65% des canadiens. La disponibilité des émissions violentes ne diminuera donc pas, tandis que les stations canadiennes se verront privées d'une partie de leur auditoire. Vous me répondrez enfin, que la production, au Canada, d'émissions non violentes de bonne qualité est une entreprise coûteuse et très risquée, et que les radiodiffuseurs canadiens ne peuvent espérer faire de gros profits, compte tenu de l'extension des priorités que le gouvernement leur impose en matière de services. Et je suis certaine que vous ajouterez à tout cela, qu'on ne peut tout simplement pas acheter aux Etats-Unis des émissions non violentes susceptibles de plaire

au public canadien.

J'avoue que tous ces arguments sont valables. Mais ils ne représentent en fait qu'un côté de la médaille. Vous ne prétendez sûrement pas que nos stations privées de radio-diffusion doivent imiter servilement les stations américaines. Vous ne prétendez sûrement pas non plus que la seule différence entre les stations canadiennes et les stations américaines se résume au hockey, au football de la LCF et à vos indicatifs d'appel. Pour ma part, je ne puis accepter que les émissions d'informations et d'opinions deviennent le seul élément distinctif entre les stations canadiennes et les stations américaines. La Loi sur la radiodiffusion stipule que les ondes sont un bien public. On vous a confié une partie de ce bien public, non pour imiter l'Amérique et ses façons de faire, mais pour offrir une programmation canadienne qui soit riche et variée, pour fournir à tous les groupes et à tous les citoyens une tribune ouverte aux divers courants d'opinions, et pour révéler enfin aux Canadiens toutes les facettes de la réalité canadienne.

Je suis pleinement consciente des raisons de nos problèmes. Les profits d'un radiodiffuseur sont en effet directement rattachés aux cotes d'écoute, et s'il désire maximiser ces profits, il choisira les émissions qui lui attireront le plus grand nombre de téléspectateurs au plus bas prix possible. Le fait que nous soyons voisins des Etats-Unis ne fait qu'accentuer nos problèmes. Les Etats-Unis mettent en effet à notre disposition des émissions moins coûteuses que les émissions produites au Canada, et elles sont

au surplus, des cotes d'écoute assurées. La tendance à diffuser un nombre toujours croissant d'émissions américaines est donc facile à comprendre.

Mais quelles sont les conséquences de cette pratique pour la télévision canadienne? D'une part, nous savons qu'elle augmente le nombre d'émissions de violence offertes aux téléspectateurs canadiens, étant donné que les émissions américaines sont en général plus violentes que les émissions produites au Canada. A titre d'exemple, le CRTC a récemment mené un sondage à Toronto, et il a découvert que 47% des émissions importées des Etats-Unis étaient considérées comme violentes, par opposition à seulement 3% des émissions canadiennes. Je me rends compte, bien sûr, que les préférences des téléspectateurs se traduit par une forte demande d'émissions américaines. Et cela explique que les émissions américaines soient achetées par les réseaux canadiens, importées par les câblodiffuseurs canadiens, et captées directement par les téléspectateurs de nos villes. Ceux qui ne désirent pas regarder les émissions violentes, en provenance des Etats-Unis ou d'ailleurs, doivent donc se contenter d'un choix d'émissions peu intéressant et souvent fort restreint.

Ce choix est d'autant plus limité, qu'un certain nombre de producteurs d'émissions ont tendance à imiter assez servilement les émissions à succès - c'est-à-dire les émissions qui jouissent d'une cote d'écoute élevée. Et comme les émissions d'action et d'aventure, souvent très violentes, attirent de vastes auditoires, la violence occupe de plus en plus une place

prédominante à l'horaire de notre télévision.

Nous ne pouvons continuer à nous laisser aller à cette tendance. Un nombre considérable de personnes sont mécontentes de la situation actuelle, et elles demandent à juste titre que le système de radiodiffusion prenne lui-même les mesures qui s'imposent. La solution la plus souvent pronée consisterait à établir une forme quelconque de censure. Sous divers noms c'est ce genre d'intervention que réclament la plupart de ceux qui veulent réduire le nombre d'émissions violentes et contrôler d'autres formes d'émissions condamnables. Par le biais de son organisme de réglementation, le gouvernement exerce à l'heure actuelle un contrôle général sur le contenu des émissions soit en demandant aux titulaires de licences de produire des émissions, qui s'inscrivent dans diverses grandes catégories, soit en interdisant la diffusion d'émissions qui ne respectent pas les normes plutôt larges du "bon goût".

Personnellement, je ne voudrais pas que le Conseil ou le gouvernement s'intéresse plus qu'il ne le fait aux questions précises touchant le contenu des émissions. Cette idée me répugne profondément, et elle ne manquerait pas de provoquer un tollé de protestations de la part du public, si toutes les conséquences en étaient connues. J'estime par ailleurs qu'il serait injuste d'imposer pareil fardeau au CRTC. Il est très difficile de porter un jugement sur ce qui est acceptable ou ne l'est pas. Les goûts et les valeurs varient d'une personne à l'autre, et ce qui est répréhensible pour les uns peut être très

acceptable et peut même mériter d'être encouragé aux yeux des autres. Pour ma part je ne crois pas que le gouvernement devrait être habilité à prendre ce genre de décisions.

Je vous invite donc instamment à assumer le rôle et les responsabilités qui vous reviennent de droit dans la préservation et l'édification du patrimoine culturel des Canadiens, car je suis pleinement consciente des limites de toute action gouvernementale en matière de promotion et de financement de la culture. Et même si je suis une chaude partisane de Radio-Canada, et que je crois au rôle primordial que notre société d'Etat doit jouer dans la mise en valeur de notre culture, je reste néanmoins convaincue que Radio-Canada ne peut pas, et surtout ne devrait pas, assumer seule cette lourde responsabilité.

Un bien public vous a été confié à vous, les radiodiffuseurs privés, et vous devez satisfaire les véritables attentes du public, sinon nous ne serons bientôt plus qu'une pâle imitation de notre voisin du Sud. Nous ne pouvons nier que sous de nombreux aspects les valeurs et les intérêts des Américains sont également partagés par les Canadiens. Mais il ne fait aucun doute que nous sommes également différents, et qu'il vaut la peine de préserver cette différence. Et je refuse catégoriquement l'idée que les radiodiffuseurs privés canadiens soient accablés sous ce poids de la concurrence, et qu'ils soient incapables de relever "Le défi américain".

J'admets que les Américains sont passés maîtres dans l'art de produire des séries d'émissions de divertissement.

En fait, les statistiques indiquent qu'en 1973 les producteurs américains ont exporté 150,000 heures d'émissions de télévision dans le monde entier. Et je suis renversée de voir à quel point la performance du Canada est médiocre dans ce domaine. En effet, en 1973, le Canada n'a exporté que 500 heures d'émissions de télévision, ce qui nous place loin derrière le Mexique (1,300 heures), le Japon (1,500 heures) et l'Italie (4,000 heures). Ces chiffres semblent indiquer que notre problème n'est pas simplement un de concurrence avec les Etats-Unis. Nous n'arrivons manifestement pas à satisfaire aux normes internationales, et même le manque de fonds ne peut expliquer le fait que nos produits canadiens ait complètement raté le bateau.

Je suis également inquiète de voir à quel point on importe aveuglément des émissions d'un goût douteux, et qui incarnent des valeurs que rejettent la plupart des Canadiens et que contestent de plus en plus les Américains eux-mêmes. Je suis tout aussi préoccupée de constater à quel point la cote d'écoute est devenue le seul critère qui compte au moment d'importer des émissions américaines. Sans jouer les censeurs, vous avez le devoir, comme membres du secteur privé de notre système national de radiodiffusion, d'incarner et de traduire pour le public des valeurs qui soient canadiennes. Produire des émissions de qualité ne doit pas reposer uniquement sur les épaules de la société Radio-Canada. Vous devez, vous aussi, assumer votre part de responsabilité en matière de programmation, aussi bien qu'en matière d'extension de services.

Le gouvernement serait naïf de ne pas reconnaître les contraintes financières importantes auxquelles vous avez à faire face. Vous devez parfois vous sentir partagés entre les exigences du gouvernement et du public, qui vous demandent à la fois d'étendre rapidement vos services à tous les coins du pays, et d'améliorer la qualité de votre programmation. Et je vous vois déjà m'interroger du regard; "Tout cela est bien beau, madame le ministre, mais où prendrons-nous l'argent pour répondre à ces demandes louables? Savez-vous quels profits nous faisons?" etc.etc.

Ma réponse est que je ne m'attends pas à ce que vous, bâtissiez Rome en un jour. Par ailleurs, je constate avec vous que toutes ces demandes ont un point en commun: il faut de l'argent pour y satisfaire. Je me demande toutefois si nous n'accordons pas une place trop grande au problème du financement. C'est là, bien sûr, une question importante, mais suffira-t-il d'avoir des fonds en quantité importante pour obtenir de meilleures émissions? Vous me permettrez d'en douter. De tels fonds vont sans doute aider à la fois les radiodiffuseurs privés et la société Radio-Canada, mais ils ne permettront pas de résoudre entièrement le problème. Comme je l'ai déjà dit, les radiodiffuseurs entretiennent soigneusement les goûts qu'ils ont eux-mêmes contribué à créer et à développer. Je crois donc qu'en toute logique il existe un rôle que les radiodiffuseurs devraient assumer volontairement. C'est celui de développer et d'encourager le bon goût au public sans avoir à jouer pour autant le rôle de censeur.

Sans doute vous pliez-vous aux désirs du public. Mais les goûts du public sont changeants et malheur au radiodiffuseur qui se complait à les flatter. En ce sens les émissions de télévision que nous ont offert cette année les producteurs américains ont été a vrai dire, pitoyables. Et si vous vous demandez pourquoi, je vous conseille de méditer cette analyse de l'ancien président du service des nouvelles du réseau CBS. "Pour moi, nous dit Fred Friendly, la télévision commerciale, c'est un peu comme le Time Square. Pour faire de l'argent on a tenté de tout réduire, au plus petit commun dénominateur. Et à l'instar du Times Square, les émissions récréatives présentées à la télévision ne sont plus maintenant qu'un énorme gâchis".

On constate, en conséquence, qu'à Toronto, qui constitue pourtant le principal marché de la télévision anglaise, le nombre de téléspectateurs décroît depuis 1973. De fait, selon les cotes d'écoute fournies par le BBM au début de l'automne, il y eut en 1975, plus de 6 millions d'heures d'écoute de moins par semaine qu'en 1973. Pendant ce temps, les ventes de livres et la circulation des magazines spécialisés ont considérablement augmenté. On observe donc que la société tend déjà à délaisser les moyens culturels de masse, et qu'elle s'oriente vers une fragmentation de la culture. Etes-vous en train de devenir, messieurs les radiodiffuseurs privés, les émules du Saturday Evening Post, ou du Colliers ou encore du Life Magazine des années 1970? Etes-vous à ce point aveuglés par vos cotes d'écoute - et par votre attitude de concurrents vis-à-vis des autres radiodiffuseurs de

masses - que vous ne vous rendiez pas compte que vous êtes en voie d'y perdre votre crédibilité en même temps que vos télé-spectateurs? Mais vous n'êtes évidemment pas les seuls en cause. Le gouvernement et son organisme de réglementation ont, de leur côté, la responsabilité de vous aider à mieux accomplir votre tâche. Et c'est précisément ce que nous tentons et ce que nous tenterons de faire.

En premier lieu, le gouvernement a présenté le projet de loi C-58. J'admets que son adoption par le Parlement prend du temps, mais le gouvernement s'est engagé fermement à faire adopter cette disposition fiscale indispensable, et il tiendra parole.

En deuxième lieu, le gouvernement s'est engagé à soutenir le CRTC dans ses efforts en vue de contrôler l'impact des émissions américaines importées au moyen du câble. Certaines des politiques du CRTC ont été l'objet d'attaques virulentes, et je suis prête à admettre qu'aucune politique n'est parfaite dans tous les détails. Mais, le gouvernement a appuyé et il continuera d'appuyer entièrement la politique du CRTC visant à contrer l'action des radiodiffuseurs américains qui cherchent à tirer un profit déloyal du fait qu'ils sont voisins des principaux marchés canadiens.

En troisième lieu, le gouvernement est prêt à envisager l'adoption de nouvelles politiques en vue de favoriser l'investissement dans la production d'émissions canadiennes, et de permettre aux producteurs d'émissions indépendants d'avoir accès aux ondes canadiennes.

En quatrième lieu, nous étudierons la possibilité de restructurer le système de radiodiffusion, de façon à permettre une utilisation plus efficace des fonds, et à fournir plus d'occasions de produire des émissions canadiennes de bonne qualité. C'est là une proposition qui risque, évidemment, d'avoir des répercussions profondes pour l'industrie de la radiodiffusion. J'aimerais donc examiner cette question un peu plus longuement.

Depuis que je suis ministre des Communications, il me semble que je suis responsable de 4 industries qui ont été considérées jusqu'à présent comme passablement distinctes, même si elles sont assez étroitement reliées entre elles. Je veux parler, bien sûr, de l'industrie de la radiodiffusion, de l'industrie du câble, de celle des télécommunications, et enfin de l'industrie spatiale. Peut-être trouverons-nous une solution aux problèmes de la radiodiffusion au Canada, en réexaminant sans préjugés la séparation un peu artificielle que nous avons créée entre ces 4 industries. Le fait même que nous ayons choisi de considérer les responsabilités en matière de communications comme autant d'éléments séparés, explique peut-être certains des problèmes auxquels nous avons à faire face aujourd'hui. S'il était possible, par exemple, grâce à un système de co-propriété entre les divers secteurs des communications, de stimuler la circulation des fonds d'une partie de l'industrie à une autre, et de créer par là une atmosphère favorisant la mobilité des fonds en vue de satisfaire à la fois aux priorités de la programmation et à celles de l'extension des services, alors nous devrions peut-être réexaminer les prémisses

fondamentales qui ont présidé à la politique de limitation de propriété conjointe des media de communication.

A une époque où les ressources en matière de communications étaient limitées, bien des personnes ont craint que la propriété de ces ressources serait susceptible d'entraîner un contrôle arbitraire des media, et même la possibilité de les utiliser à des fins de propagande. La propriété permet, il est vrai, un contrôle implicite de l'accès aux media, et une concentration excessive de la propriété pourrait permettre à certaines personnes d'exercer un contrôle inadmissible sur le système nerveux central d'une société démocratique. Mais à mesure que le nombre des centres de radiodiffusion augmente, et que les systèmes de distribution par câble coaxial permettent plus de latitude dans le choix de la programmation, et cela dans toutes les communautés, ces craintes sont peut-être quelque peu exagérées. Il est très concevable en effet que la télévision par câble puisse désormais nous permettre de considérer avec plus de liberté la possibilité d'une nouvelle politique en matière de propriété conjointe. D'une part, les systèmes de câble sont strictement réglementés. D'autre part, le câblodiffuseur ne contrôle pas l'accès au système, ni le contenu des émissions. C'est le CRTC qui détermine les signaux que l'exploitant doit transmettre. De plus, la technologie du câble permet de transmettre une diversité de signaux qu'il n'est pas possible de transmettre en utilisant seulement la radiodiffusion locale en direct.

Dans ce cas, n'est-il pas concevable d'élaborer une politique qui permettrait une certaine forme de co-propriété des

équipements de câble et de radiodiffusion dans certaines communautés? N'est-il pas possible d'intégrer cette mesure à une politique favorisant l'accès des groupes et des personnes aux canaux communautaires, afin d'éviter qu'on fasse usage de la propriété pour limiter l'accès aux media ou promouvoir un point de vue spécifique?

Il est évident qu'un tel changement de politique n'aurait de sens que si les capitaux ainsi récupérés étaient utilisés pour répondre aux priorités en matière d'extension de services et pour améliorer la programmation. Les profits des actionnaires sont chose importante, mais ils ne doivent pas devenir l'unique considération. Et je suis absolument convaincue que si nous ne prenons pas immédiatement les mesures nécessaires pour stimuler la capacité de production des radiodiffuseurs canadiens, l'industrie de la radiodiffusion au Canada connaîtra le même sort que le Saturday Evening Post.

Nous avons couvert pas mal de terrain dans ce discours. J'aimerais donc, en terminant, vous redire mon inquiétude face au problème de la violence à la télévision. Et je suis certaine d'exprimer l'opinion d'un grand nombre de Canadiens, lorsque j'affirme qu'il est absolument nécessaire que nous nous donnions ici un système de radiodiffusion qui reflète vraiment la culture et les valeurs des Canadiens. Pour atteindre cet objectif, il me semble encore une fois que deux choses s'imposent. D'une part, du côté des radiodiffuseurs, vous devez assumer vos disponibilités, et vous refuser à être des simples retransmetteurs de la programmation

américaine. Vous devez en conséquence, contribuer activement à la production d'émissions canadiennes de qualité capables de vraiment concurrencer les émissions américaines. Personnellement, je suis convaincue que vous saurez relever ce défi. Et mes espoirs ne seront pas déçus, si je me fie à une décision du CRTC qui annonçait récemment la création, par des câblodiffuseurs de Toronto, d'un canal entièrement consacré à des émissions enfantines. Dans sa décision le CRTC affirmait ce qui suit:

" Le Conseil s'intéresse vivement à cette expérience, étant donné l'inquiétude croissante que suscite le grand nombre d'émissions à caractère violent mises à la portée des enfants. De bonnes émissions canadiennes pour enfants élargiront sans doute de façon constructive la gamme des choix possibles".

Du côté du gouvernement, nous avons aussi un rôle à jouer, et j'espère que tous accepteront ce fait. Il nous incombe en particulier de créer un environnement qui vous soit favorable et de faire en sorte que les problèmes financiers ne vous empêchent pas de réaliser les objectifs de la Loi sur la radiodiffusion. Comme membre du gouvernement, je m'engage à prendre des mesures concrètes en ce sens, et j'ose espérer que nous pourrons construire ensemble un système de radiodiffusion qui sera la fierté de tous les Canadiens.

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PAY TELEVISION

NOTES FOR A SPEECH

BY THE HONOURABLE JEANNE SAUVÉ

MINISTER OF COMMUNICATIONS

TO THE CANADIAN CABLE TELEVISION ASSOCIATION

TORONTO, JUNE 2, 1976



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First let me say that I am very pleased to be with you today. The last time I was in Toronto, I was able to visit the CN Tower and experienced a surprise that, I suppose, was predictable. From the top of the tower, I was able to see all of Toronto, down the Queen Elizabeth Highway to Hamilton, across Lake Ontario to St. Catharines and Niagara Falls, but in place of Buffalo was a large sign reading "Deleted by Toronto Cable Operators".

One of the very rewarding aspects of this new job of mine has been the challenge of becoming familiar again with the complexities of Canada's broadcasting system and in particular to learn more about the various components of the cable television industry. With familiarity, have come both a great respect for the industry's growth in past years, and a recognition that the industry is a vital and essential element of Canada's broadcasting system. Any proposed changes or innovations in the cable industry are, therefore, of special concern to me and relate to one of my principal duties: ensuring that Canada has a strong broadcasting system, predominantly Canadian in content and character.

In April I had the opportunity to meet with the Canadian Association of Broadcasters. At that time I re-emphasized the importance I attach to the crucial problems confronting broadcasters in Canada - extension of service and distinctive Canadian programming. I hope today

to address these problems once again, but from a different perspective - that of new services and developments, particularly the one commonly known as "pay television".

My responsibilities for the structural development of the Canadian broadcasting system have led me to follow very closely the major new developments in your industry. I have been most impressed by some of the innovative services that cable operators have been developing. These include a children's program channel; programs by and for the elderly; and multicultural programs. The new service which I have found most exciting, because of its potential to improve programming and real program choice, is pay television. I am firmly convinced that the introduction of this new service will be a watershed in the development of broadcasting, with major structural implications for the entire system.

The establishment of pay television service on a large scale is inevitable. But inevitability need not mean disruption of the system. On the contrary, we must take care that pay television is introduced in an orderly and controlled fashion. We must ensure that it brings maximum benefit on a national plane to all the groups interested in broadcasting - private and public broadcasters, cable operators, program producers, actors, writers, and most of all, the Canadian public. I would assume that as in the United States, you the cable operators, will want to play a major role in delivering this service to the home. But more on your role later.

In considering the introduction of any new service, we must examine its potential advantages and disadvantages. For example, could not pay television make a contribution to solving the most crucial problem in Canadian broadcasting, that is the underdeveloped state of the Canadian program production industry.

As you are undoubtedly aware, pay television will probably generate substantial revenues; our estimates of the potential revenues involve the following simple arithmetic: there are about 2,700,000 cable television subscribers in Canada. If only 15% of these subscribers elect to take pay television at \$8.00 per month - the average charge in the United States - gross revenues would amount to some 39 million dollars per year. You will recall that the CRTC and a representative group of cablecasters have suggested that 15% of gross pay TV revenues could be devoted to Canadian program production. On that basis, close to \$6 million would accrue per year.

In actual fact, pay television penetration rates of 35% are probably attainable, resulting in funds for programming of about \$13½ million annually. When one considers that the CTV network last year spent about \$13 million alone on Canadian programs including news, sports series, and variety shows, it becomes obvious that pay television revenues could have an enormously positive impact on Canadian program production.

There are other possible advantages. Pay television could help create wider viewing opportunities for Canadian programs, especially

feature films. Canadian-produced programming could be exported to United States pay television systems which are unquestionably looking for more material, and programs produced initially for pay television could subsequently be released on conventional over-the-air television. This would benefit non-pay television subscribers by increasing Canadian programming choices in the broadcasting system, especially in those remote and rural areas of Canada that may have lost, or have never had, a movie theatre.

The benefits of pay television can be great but its introduction could also have a negative impact. Concern about these negative aspects has led in the past to the conclusion that the introduction of pay TV was premature. Even now, there would be little reason to permit the introduction of pay TV if it were left to develop in the same manner as the motion picture industry in Canada. Foreign interests have acquired virtual monopoly over exhibition and distribution, thus gaining control over the financial resources needed for production. Canadian producers still find it difficult to obtain exhibition opportunities in Canadian movie houses. Pay television must not be allowed to follow this course.

Pay television, if left uncontrolled, could damage conventional broadcasting in several ways. It could lead to siphoning - that is, the draining from conventional television, of those programs which are most attractive for pay television service, such as feature motion pictures and sports. If such programming were offered on pay television, programs

which the public normally sees without charge on off-air television might be siphoned away to a service which is only available to those able and willing to pay.

Another cause for concern is the threat of further fragmentation of the audience upon which the advertising revenues of Canadian broadcasting now depend. This threat may, in the long run, be serious. In the immediate future, however, pay TV will depend for its revenues largely on frequent presentations of a limited number of feature films. Useful data on the exact effect of fragmentation is difficult to obtain, since, at present, pay television penetration rates and the amount of viewing time per subscriber are not known.

The communications disparity between urban and rural areas is another problem that could be exacerbated by pay television when delivered by cable, since cable is primarily an urban service. The federal government must obviously try its best to work against this danger, perhaps by ensuring that in those areas where pay television is not available, pay TV programs are made available to off-air broadcasters after an appropriate time delay.

Another problem, which is one of my greatest fears about pay television, is that the pay TV operator, like the conventional broadcaster, will tend to cater to the lowest common denominator of the viewing audience. And like his American confrères, he will want to show U.S. feature films and sports events in order to increase his audience as

much as possible. This situation would perhaps be more likely to arise in a system where the consumer is billed per channel; in a system of per-program billing, greater variety and even improved quality would be encouraged because programming could be geared to the tastes of minorities willing to pay.

It does appear that initially, the per-channel approach to pay TV will probably be necessary for the generation of sufficient revenues to make the system financially stable. However, a per-program system could perhaps spin-off from the profits of the per-channel approach. In any case, the fundamental consideration is to encourage development of a delivery system which provides new outlets for Canadian programs and wider viewer choice to the Canadian audience.

In order to accomplish this, a major task ahead will be to devise a structure that will maximize pay TV's potential benefits for our broadcasting system and for viewer choice. This structure will have to accomplish three objectives which are what I want to stress more than anything else I have to say today:

First: It must provide a range of programming which does not duplicate that now offered by broadcasters and must do so without siphoning programs from the broadcasting system. The continued federal regulation of the broadcasting system, including the regulation of pay television, is a crucial factor in the coherent and orderly provision of program services to the entire Canadian viewing public.

Second: It must ensure the production of high-quality Canadian programs that Canadians will watch.

Third: It must ensure that programs are produced in Canada for international sale.

Whatever pay television system is established, the structure must be designed to achieve these objectives - objectives with which I am sure no one will disagree. In developing the system which would stand the highest probability of achieving the three goals I have outlined, it is probably best to separate delivery of signal to the home from the other two aspects of the process, namely program production and distribution or packaging. The first element of the system, delivery to the home, is relatively simple to handle. Because of the high level of penetration of CATV in Canada, coupled with off-air frequency shortages, we must concede the obvious advantages in delivery of pay TV by cable. However, even in Canada many people do not have cable, and the CRTC may decide that in certain circumstances other systems of delivery should merit consideration.

In any event, whatever the system of delivery to the home, two crucial questions remain - what are you going to deliver, and who will put it together? In looking at this problem we must again bear in mind the objectives for pay TV that I suggested a few moments ago, as well as the major participants in the broadcasting and production industry. It would seem to me that we have three basic options - first, individual

licensees; second, a consortium which could involve various combinations of cable operators, broadcasters and representatives of the government; and third, a pay television network which could be either a public or private corporation.

The first option of individual licensees seems undesirable. The lack of a Canadian program distributor could force the licensees to deal with foreign distributors individually or in small groups. If so, the distribution function would once again fall into non-Canadian hands and it would be foreign organizations that would capture the major profits.

The second option is a consortium of cable and broadcasting operators. This structure would allow all affected parties to benefit financially and is worthy of careful examination. But it might also suffer the disadvantages of being subject to the vested interests of both participating parties. Another possibility would be to expand this consortium to add government participation to the configuration of cable companies and broadcasters.

The third option is the establishment of a pay television distributor or network, owned and operated independently from existing off-air broadcasters or cable interests. This could have the primary advantage of diminishing conflicts between the broadcasting and cable industries.

A pay television network of this kind could provide particular benefits for each component of the industry and could create a Canadian distributor of programs, an entity which does not now exist. Considering the weaknesses of the existing Canadian program production industry and the need for a strong presence to further the production, exhibition and promotion of Canadian programs, I think all of us must acknowledge that this is an important development of national significance. This kind of structure is therefore one which I find attractive and on which I would particularly welcome your views.

The government must also consider whether the network should be a private corporation with extensive monopoly powers, a public corporation or a mixed corporation, involving both private and public participation. The advantages and disadvantages of these options are fairly obvious, and on their own could be the subject of another speech.

No matter which option is chosen, the pay television network would act also as a distributor and would be responsible for the sale of Canadian programs to, and purchase of foreign programs from non-Canadian program distributors. All licences for home delivery would be granted subject to the condition that programs be obtained from the network. Naturally, special arrangements would be developed for programs of strictly regional interest. And of course the distinctive nature of Canada as a country with two languages will influence any structure chosen.

I realize that this analysis is still incomplete and that I may have overlooked other options. As well, I may have underestimated certain costs and benefits of the various choices I have described. I depend upon your comments to further clarify the situation. As a result, and in order to encourage you and other interest groups to update the submissions you placed before the CRTC last June - and to comment on what I have said today - I have asked the CRTC to call for and receive submissions from the public until September first of this year on the structural development of pay TV.

Second, I am also writing to the provincial ministers responsible for communications to ask for their comments and views on how we can ensure that pay television contributes positively to the development of the Canadian broadcasting system. It is important for the federal government and the provinces to cooperate with a view to resolving the various problems which are bound to arise in connection with the establishment of pay television service, since its impact on Canadian viewer choice will be significant.

The introduction of pay TV represents a fundamental structural change to the Canadian broadcasting system. With this in mind, we will be analyzing your submissions and resolving outstanding questions relating to the structural development of pay television and its integration into the Canadian broadcasting system. I hope that this work can be completed as quickly as possible. Once we have completed this process, I would like to give you an early indication of government policy, after which the CRTC will establish regulatory guidelines and call for licence applications.

In conclusion, pay TV is an important addition to the broadcasting system that will help to solve some of the problems that confront the Canadian broadcasting system and the production industry. It will not, by its simple existence, assure increased viewing choice for all Canadians. Nor is pay TV a dire threat to the Canadian broadcasting system. On introduction into Canada pay TV must, however, play its part to ensure the growth and development of the Canadian program production industry and the broadcasting system. That system is under great strain because of the demands placed upon it for extension of service, and underdeveloped in its capability for program production and as a creative outlet.

The introduction of pay TV into Canada must be used to develop a truly Canadian production industry. We cannot lose this opportunity by focussing on new hardware or structures in isolation. We must ensure that an integrated system is encouraged to develop. I therefore call upon you, the broadcasters and the producers to participate actively with the government in order to ensure the best means of introducing pay television in Canada.

NOTES POUR UNE ALLOCUTION
DE L'HONORABLE JEANNE SAUVÉ,
MINISTRE DES COMMUNICATIONS,
LORS DU CONGRÈS ANNUEL
DE L'ASSOCIATION CANADIENNE
DE TÉLÉVISION PAR CÂBLE,
À TORONTO,
LE MERCREDI 2 JUIN 1976



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Mesdames, messieurs,

Au cours de ma dernière visite à Toronto, j'ai eu l'occasion de monter dans la Tour du CN, et là-haut une surprise de taille m'attendait. Du sommet de la Tour, j'ai pu contempler la ville de Toronto dans toute sa splendeur, et en remontant la route Queen Elizabeth, la vue s'étendait jusqu'à Hamilton. On pouvait même voir sur la rive opposée du lac Ontario, les villes de St. Catharines et de Niagara Falls. Mais en me tournant du côté de Buffalo, je n'ai découvert qu'un immense panneau réclame portant l'inscription suivante: "Supprimée par les câblodiffuseurs de Toronto".

Cette surprise mise à part, je suis toujours heureuse de revenir à Toronto, et il me fait particulièrement plaisir de pouvoir participer aujourd'hui aux assises annuelles de votre association. Lorsque j'ai assumé mes nouvelles fonctions, ce fut un véritable défi que d'avoir à me refamiliariser avec les structures complexes du système canadien de radiodiffusion, et en particulier avec les diverses composantes de l'industrie de la télévision par câble. Cette tâche m'a permis de constater à quel point votre industrie s'est développée rapidement au cours des dernières années. Et je me suis rendu compte, encore une fois, à quel point la câblodiffusion est devenue une partie intégrante et indispensable du système canadien de radiodiffusion.

Toute innovation ou tout changement susceptible d'affecter l'industrie de la télévision par câble constitue donc pour moi un sujet de préoccupation particulière, car l'une de mes principales fonctions est de veiller à ce que le Canada dispose d'un système de radiodiffusion vigoureux, dont le contenu et le caractère soient nettement à prédominance canadienne.

En avril dernier, j'ai eu l'occasion de rencontrer vos confrères de l'Association canadienne des radiodiffuseurs. J'en ai profité pour insister encore une fois sur l'importance que j'attache aux problèmes cruciaux que doivent affronter les radiodiffuseurs canadiens. Ces problèmes sont, d'une part, l'extension de service, et, d'autre part, la production d'émissions qui soient vraiment à notre image et à notre ressemblance. Ce sont ces mêmes problèmes que je me propose d'aborder aujourd'hui, mais en les traitant d'un point de vue différent, soit celui des nouveaux services et des nouveaux développements, dont fait partie, bien sûr, ce qu'il est convenu d'appeler ici la télévision à péage, ou encore la télévision payante.

Les responsabilités que j'exerce en ce qui a trait à l'évolution des structures du réseau canadien de radiodiffusion m'ont amenée à suivre de très près les grands développements qui affectent votre industrie. J'ai été fortement impressionnée par certains services modernes que les exploitants de la télévision par câble ont mis sur pied. Parmi ceux-ci mentionnons la création d'un canal réservé aux enfants, la production

d'émissions par et pour les personnes âgées, et enfin, la réalisation de programmes destinés aux diverses communautés ethniques. Parmi ces nouveaux services, celui qui m'a le plus fascinée est sans doute la télévision à péage, en raison de la possibilité qu'elle offre d'améliorer notre programmation canadienne et de nous offrir un meilleur choix d'émissions. Je suis persuadée que la création de ce nouveau service marquera un tournant majeur dans le développement de la radiodiffusion et que les structures du système tout entier en seront profondément modifiées.

La mise sur pied d'un service de télévision payante à grande échelle est pratiquement inévitable. Mais on ne doit pas pour autant disloquer le système en place. Au contraire, il faut veiller à ce que la télévision à péage soit instaurée de façon méthodique et contrôlée. Nous devons faire en sorte qu'elle rapporte, partout au pays, un maximum d'avantages à tous les groupes intéressés à la radiodiffusion, et plus particulièrement aux radiodiffuseurs privés et publics, aux sociétés exploitantes de la télévision par câble, aux réalisateurs d'émissions, et surtout au grand public canadien. Je présume qu'à l'instar de ce qui se passe aux États-Unis, vous désirez, comme exploitants de la télévision par câble, devenir l'un des principaux agents de distribution de ce service à domicile. Je reviendrai donc dans quelques instants sur le rôle que vous pourriez être appelés à jouer.

Pour l'heure, je voudrais m'arrêter aux divers avantages et inconvénients auxquels pourrait donner lieu, chez-nous, l'avènement de la télévision à péage. La première évidence est que la télévision à péage pourrait fort bien nous aider à résoudre le plus crucial des problèmes auxquels la radiodiffusion canadienne ait à faire face, celui du sous-développement de notre industrie canadienne de la production.

Comme vous le savez sans doute, la télévision à péage est susceptible de rapporter des revenus importants. Nos prévisions dans ce domaine se fondent sur des calculs fort simples. Le Canada compte actuellement 2 700 000 abonnés de la télévision par câble. Il suffirait que 15% de ces abonnés décident de se prévaloir du service de la télévision à péage au tarif moyen exigé aux États-Unis, soit \$8.00 par mois, pour que les recettes brutes s'élèvent à 39 millions de dollars l'an. Par ailleurs, vous vous souvenez sans doute que le CRTC et un groupe représentatif de câblodiffuseurs ont déjà émis l'opinion que 15% des recettes brutes provenant de la télévision à péage pourraient être affectés à la réalisation d'émissions canadiennes. Dans ces conditions, les producteurs canadiens pourraient donc recueillir près de 6 millions de dollars par année.

En fait, le taux de pénétration de la télévision à péage pourrait fort bien se chiffrer à 35% des abonnés, ce qui permettrait de consacrer à la programmation canadienne quelque 13.5 millions de dollars par année. Si l'on considère

que le réseau CTV a dépensé l'an dernier 13 millions de dollars pour la réalisation d'émissions canadiennes, y compris des bulletins de nouvelles, des séries d'émissions sportives et des spectacles de variétés, il devient évident que les recettes provenant de la télévision à péage pourraient avoir des effets éminemment bénéfiques sur la production d'émissions canadiennes.

Mais la télévision à péage offre d'autres avantages. Elle pourrait éventuellement créer de nouveaux débouchés pour nos productions canadiennes, en particulier nos longs métrages. Des émissions réalisées au Canada pourraient être exportées vers les réseaux américains de télévision à péage qui ont un besoin pressant de matériel nouveau. Et des émissions produites à l'origine pour la télévision à péage pourraient fort bien, par la suite, être diffusées par la télévision hertzienne conventionnelle. Ces mesures seraient d'ailleurs profitables à ceux qui ne peuvent s'offrir la télévision à péage. Elles permettraient aux divers réseaux de radiodiffusion d'offrir un choix plus vaste d'émissions canadiennes, en particulier dans les régions éloignées et rurales du Canada qui ont peut-être perdu, ou n'ont tout simplement jamais eu, leur propre salle de cinéma.

Les avantages possibles de la télévision à péage sont donc considérables. Mais son apparition pourrait également avoir des conséquences indésirables. Ces aspects négatifs nous ont même fait conclure par le passé, que le temps n'était

pas encore venu de donner le feu vert à la télévision payante, Et même aujourd'hui, rien ne sert de nous presser si, par la suite, nous laissons la télévision à péage se développer chez-nous à la manière de l'industrie cinématographique. Dans le cas du cinéma, des intérêts étrangers se sont en effet assuré un quasi-monopole de la distribution et de la projection des films, ce qui leur a permis de contrôler les fonds consacrés à la réalisation de nouvelles oeuvres. Nos producteurs canadiens éprouvent même certaines difficultés à faire projeter leurs films dans nos propres salles de cinéma. Il faut empêcher que cette situation ne se répète dans le domaine de la télévision à péage.

Si la télévision à péage n'est pas réglementée, elle pourrait nuire à la télévision conventionnelle de plusieurs façons. Elle pourrait enlever à la télévision conventionnelle ses émissions les plus rentables, tels les longs métrages et les événements sportifs. Si ce genre d'émissions était offert par la télévision à péage, bon nombre de programmes qui sont actuellement accessibles au grand public pourraient fort bien n'être disponibles à l'avenir que pour ceux qui sont en mesure de s'offrir la télévision à péage.

Une autre source d'inquiétude est la menace d'une fragmentation encore plus grande de l'auditoire sur lequel sont basées les recettes publicitaires de l'industrie canadienne de radiodiffusion. À long terme, ce problème peut devenir sérieux. Dans l'immédiat toutefois, la télévision à péage tirera la plus

grande partie de ses revenus de la présentation répétée d'un nombre restreint de longs métrages. Il est difficile d'obtenir des données pertinentes sur les effets de la fragmentation, étant donné qu'actuellement nous ne connaissons ni les taux de pénétration de la télévision à péage, ni le nombre d'heures de visionnement par abonné.

La disparité des services offerts aux régions urbaines et rurales est un autre problème que pourrait exacerber la télévision à péage diffusée par câble, puisque le câble est un service essentiellement urbain. Le gouvernement fédéral doit évidemment faire tout en son possible pour combattre ce danger. Un des moyens à sa disposition serait d'exiger qu'après délai approprié, les émissions de la télévision à péage soient mises à la disposition des radiodiffuseurs conventionnels dans les régions où la télévision payante n'est pas disponible.

Mais ce que je crains par-dessus tout, c'est qu'à l'instar des autres secteurs de la radiodiffusion, la télévision à péage ait tendance, elle aussi, à réduire les exigences du public à leur plus petit commun dénominateur. Comme leurs confrères américains, les exploitants canadiens de la télévision à péage voudront surtout diffuser des longs métrages américains et des événements sportifs en vue d'augmenter au maximum le nombre de leurs auditeurs. Et cette situation aura, sans doute, plus de chances de se produire dans un système où le consommateur est facturé en fonction du nombre de canaux offerts

plutôt que du nombre d'émissions choisies par le consommateur, Ce dernier mode de facturation aurait l'avantage d'encourager la variété et la qualité des émissions, puisque la programmation pourrait alors être axée sur les goûts des minorités disposées à payer le prix.

Il semble, toutefois, qu'au début on devra facturer le client en fonction du nombre de canaux offerts, si l'on veut obtenir suffisamment de recettes pour assurer la stabilité financière du système. Il se peut toutefois que la facturation par émission choisie devienne possible grâce aux profits retirés de la facturation par canal offert. Quoi qu'il en soit, l'objectif principal est d'encourager la mise sur pied d'un système qui fournisse de nouveaux débouchés aux productions canadiennes et une plus grande variété d'émissions aux télé-spectateurs canadiens.

Il faudra pour cela concevoir une structure qui accroisse au maximum les avantages éventuels de la télévision à péage pour notre système de radiodiffusion et pour les télé-spectateurs désireux d'obtenir un meilleur choix d'émissions. Cette structure devra favoriser la concrétisation de trois objectifs majeurs sur lesquels j'aimerais insister, et qui forment l'essentiel de ce que j'ai à vous dire aujourd'hui.

Premièrement, la structure choisie devra nous permettre de fournir une gamme d'émissions qui ne soit pas une simple réplique de la programmation actuellement offerte par les radiodiffuseurs. Et cela devra se faire sans qu'il y ait

détournement des émissions du système de radiodiffusion au profit de la télévision à péage. La réglementation permanente du système de radiodiffusion, y compris la réglementation de la télévision à péage par le CRTC, est absolument essentielle à la fourniture harmonieuse et ordonnée des services de télévision à tous les téléspectateurs canadiens.

Deuxièmement, cette structure devra favoriser la production d'émissions canadiennes de haute qualité, susceptibles d'intéresser les Canadiens.

Troisièmement, elle devra faire en sorte que soient produites au Canada des émissions destinées au marché international.

Quel que soit le système de télévision à péage choisi, sa structure devra être conçue en fonction de ces objectifs - objectifs sur lesquels, nous nous entendons tous, j'en suis certaine. Pour nous doter du système le plus susceptible de répondre aux trois objectifs que j'ai exposés, je crois qu'il est sans doute préférable de séparer la livraison du signal aux foyers, des deux autres aspects du procédé, soit la production des émissions et leur distribution. Le premier élément du système, la livraison du signal aux foyers, est relativement simple. A cause du niveau élevé de pénétration de la câblodiffusion au Canada, ainsi que de la rareté des fréquences radio disponibles, nous devons avouer qu'il est évidemment plus avantageux de livrer les signaux de la télévision à péage au moyen du câble. Toutefois, même au Canada,

plusieurs personnes ne sont pas abonnées au câble, et il se peut que le CRTC décide, dans certaines circonstances, d'étudier la possibilité d'utiliser d'autres moyens de livraison.

Peu importe la méthode choisie pour livrer des signaux aux foyers, deux questions cruciales doivent être résolues. Quelle sera la programmation de la télévision à péage, et qui se chargera d'en assurer la production? Face à ces questions, nous devons encore une fois garder en tête les objectifs que nous voulons nous donner dans le domaine de la télévision à péage, et l'identité des partenaires les plus importants du monde de la radiodiffusion et de la production. Il me semble que trois choix fondamentaux s'offrent à nous. Le premier est d'accorder des licences à des particuliers. Le deuxième est de nous tourner vers un consortium qui regrouperait, à des titres divers, des câblodiffuseurs, des radiodiffuseurs et des représentants du gouvernement. Et le troisième est de créer un réseau de télévision à péage qui serait une entreprise soit publique, soit privée.

La première solution ne semble pas très souhaitable. L'absence de distributeurs canadiens d'émissions forcerait les titulaires particuliers à faire affaire avec des distributeurs étrangers, soit individuellement, soit par petits groupes. Si tel était le cas, la distribution d'émissions tomberait à nouveau aux mains de l'étranger, et ce serait encore des intérêts étrangers qui rafleraient le gros des profits.

Quant au consortium de câblodiffuseurs et de radio-diffuseurs, il profiterait sans doute financièrement à toutes les parties en cause. Cette option vaut donc la peine d'être étudiée avec soin. A première vue, ce genre de consortium pourrait cependant souffrir des tiraillements entre les intérêts divergents des deux parties impliquées. Une façon d'y remédier serait peut être d'élargir le consortium pour faire place à des représentants du gouvernement, comme tierce partie, à côté des câblodiffuseurs et des radiodiffuseurs.

La troisième solution serait d'établir un réseau distinct de télévision à péage, dont la propriété et le fonctionnement échapperaient aux radiodiffuseurs et aux câblodiffuseurs déjà en place. Cette formule aurait l'avantage de diminuer les conflits entre les industries de la radiodiffusion et de la câblodiffusion.

Le gouvernement devrait éventuellement décider si ce réseau sera une société privée jouissant d'un monopole étendu, ou une société publique, ou enfin une société mixte, regroupant à la fois le secteur privé et le secteur public. Les avantages et les inconvénients de ces diverses solutions sont passablement clairs, mais j'aurai sans doute l'occasion d'y revenir à un autre moment.

Quelle que soit la solution choisie, le réseau de télévision à péage devrait normalement jouer le rôle de distributeur, et c'est lui qui se chargerait de vendre des émissions canadiennes sur le marché international et d'acheter en retour

des productions de l'étranger. Toute licence accordée pour la livraison du signal dans les foyers serait accompagnée d'une clause obligeant le détenteur à se procurer ses émissions du réseau. Naturellement, des dispositions spéciales seraient prévues dans le cas des émissions d'intérêt strictement régional. Et l'ensemble des structures mises en place devra refléter, bien sûr, le caractère bilingue du Canada.

Un réseau de télévision à péage du genre discuté pourrait offrir des avantages précis pour chaque composante de l'industrie, et il nous fournirait l'occasion de créer de toute pièce cette agence de distribution canadienne qui nous fait si cruellement défaut à l'heure actuelle. Compte tenu des faiblesses actuelles de l'industrie canadienne de la production, et du besoin évident de nous doter d'un organisme fort pour promouvoir la réalisation, la présentation et la vente d'émissions canadiennes, nous reconnaitrons tous, je crois, que la naissance d'une agence de distribution canadienne serait un net progrès pour le pays. La notion de réseau de télévision à péage me semble donc particulièrement intéressante, et j'aimerais bien connaître votre opinion là-dessus.

Je suis consciente du caractère incomplet de cette analyse, et certaines solutions peuvent m'avoir échappé. J'ai peut-être sous-estimé également les frais et les profits associés aux diverses hypothèses que j'ai avancées. Je compte donc recevoir vos commentaires pour faire avancer le débat.

Afin de vous encourager, et d'encourager les autres

groupes intéressés, à mettre à jour les mémoires présentés au CRTC en juin dernier, et afin de recevoir également vos commentaires sur les propos que j'ai tenus aujourd'hui, j'ai demandé au CRTC de solliciter les avis du public sur les structures souhaitées pour la télévision à péage. Le CRTC recevra ces mémoires jusqu'au premier septembre prochain.

Je me propose également d'écrire aux ministres provinciaux responsables des communications, pour leur demander leurs opinions et leurs commentaires sur la meilleure façon de nous assurer que la télévision à péage contribuera véritablement au développement du système canadien de la radiodiffusion. Il est important, en effet, que le gouvernement fédéral et les gouvernements provinciaux coopèrent pour solutionner les problèmes inhérents à la création et au développement des services de la télévision à péage.

La venue de la télévision à péage représente un changement de structure fondamental pour notre système canadien de radiodiffusion. Voilà pourquoi nous analyserons avec soin vos mémoires, pour tâcher de résoudre les questions en suspens en ce qui a trait aux structures à mettre en place pour assurer l'intégration de la télévision à péage au système canadien de la radiodiffusion. J'espère que ce travail pourra être complété le plus rapidement possible. Et je compte vous informer de la politique éventuelle du gouvernement, aussitôt le travail de consultation terminé. Le CRTC pourra alors établir les

grandes lignes d'une réglementation et inviter les intéressés à présenter des demandes de licence.

En conclusion, la télévision à péage sera un ajout important à notre système de radiodiffusion, et elle nous permettra peut-être de résoudre certains problèmes auxquels doivent faire face les radiodiffuseurs et les producteurs canadiens.

La télévision à péage n'assurera pas automatiquement un meilleur choix d'émissions pour tous les Canadiens. Mais elle ne constitue pas non plus un menace grave pour notre système de radiodiffusion. Si nous décidons de donner le feu vert à la télévision payante, il faudra nous assurer qu'elle contribuera à la croissance et à l'expansion de notre industrie de production et de notre système canadien de radiodiffusion. Ce système est tiraillé par de nombreuses demandes d'extension de service; il est sous-développé dans ses capacités de production; et il n'offre pas suffisamment de débouchés aux talents de chez-nous.

Nous devons donc profiter de l'entrée en scène de la télévision à péage pour nous doter d'une industrie de production vraiment canadienne. Et nous ne devons pas rater cette chance, en divorçant la question des équipements, du problème des structures. Nous devons, au contraire, conjuguer nos efforts en vue de développer un système qui intègre vraiment ces deux aspects de la télévision à péage. Je vous invite donc, comme radiodiffuseurs et comme producteurs, à collaborer étroitement avec le gouvernement, afin que nous trouvions ensemble les meilleurs moyens d'implanter la télévision à péage et de la mettre véritablement au service de tous les Canadiens.

EXTENSION OF SERVICE

NOTES FOR A SPEECH
BY THE HONOURABLE JEANNE SAUVÉ
MINISTER OF COMMUNICATIONS
AT THE ANNUAL MEETING OF
CANADIAN TELECOMMUNICATIONS
CARRIERS ASSOCIATION
IN ST. ANDREW'S-BY-THE-SEA,
NEW BRUNSWICK
MONDAY, JUNE 21th, 1976



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Mr. Chairman, Ladies and Gentlemen:

. In the short life of your association, it is already a tradition of sorts for the Minister of Communications to join with you at your annual meeting and say a few words on some matter of common concern. This is a new experience for me, of course, and I am very pleased to have this opportunity to meet with you, and to speak to you today.

A few weeks ago, as you probably know, I announced in Toronto that the Federal Government was about to take certain initiatives in the new and potentially lucrative field of Pay-TV. I wish I could announce a similar development in the telecommunications area, but unfortunately there are no such startling developments on the horizon. The pay telephone already exists. And, as you know, far from being the pot of gold some see in Pay-TV, telephones sometimes return less in revenue than they cost to install and maintain.

I am of course not accusing you of not being able to run profitable and efficient telecommunications enterprises. We all know that is not true. Canadians enjoy probably the best telecommunications system in the world. Our system is made up of a great many parts and a large number of different companies and agencies - as witness the size of this audience today - and the fact that it works so well despite this

diversity is a credit to all of you. And not only has the system worked extremely well, but it has developed and improved continually.

Canada has played an important role in developing new telecommunications technologies, and has been particularly innovative in their application. This has enabled the system, with its rapid growth, to maintain its excellence. But these new technologies require enormous capital investments which, in the last few years, have been subject to extremely high interest rates, and the other related effects of inflation. Inflation has hurt everybody and the telecommunications industry has been no exception. But while you have seen your costs rise at ever-increasing rates, you have nonetheless been able to achieve remarkable successes in your search for ways to reduce costs. I know that this has long been a major preoccupation of your industry, and I believe it deserves greater public recognition. The telecommunications industry is among the most efficient in the North American economy, and I have every confidence that despite inflation - which Mr. Macdonald tells us is moderating - your industry will continue to develop new technologies and improve its operations in the interests of greater efficiencies and lower costs.

At the same time, new technologies such as satellite communications which have had such an impact in the North, have made it possible to bring high-quality communications to the

most remote communities in the country. These days news travels fast even to the outposts - thanks in large part to you - and the people living in the remote areas of the country are asking why they cannot have the same high quality basic telecommunications services that urban Canadians take for granted. Why, for instance, should a person in a small remote community have to trudge to the radio shack to call his cousin in a neighbouring community, by HF radio-telephone - and have only a 60% chance of getting through - while we can all dial direct from our offices to virtually any point in North America.

It does seem unfair, but extending high quality telephone service to remote communities is, of course, a very costly business. Satellite communications which are - I like the phrase - "cost-insensitive" to great distances are still enormously expensive, not when compared with comparable terrestrial facilities, but in relation to the revenue they produce in these small communities.

In the past, common carriers have used the principle of cross-subsidization to extend service to low revenue areas of their service territories. There has to be a limit to cross-subsidization, though, and in some instances, these limits may have been reached. It is in these instances, I think, that government has a responsibility to assist the carriers to meet their service responsibilities. The ideal

nature of such assistance is not always easy to establish, but co-operation is needed if demands for improved service are to be met.

To illustrate the need for co-operation between government and carriers in extending service to remote and sparsely-populated areas, I would like to discuss briefly the situation in the far North where the two federally-regulated carriers have traditionally lost or are about to begin losing money. While I will talk only about that part of the North above the 60th parallel, where telecommunications are under federal regulation, similarity of conditions in the northern parts of the provinces suggest that much of what I say could be applicable to these areas as well.

High-quality satellite telecommunications, using Telesat Canada's Anik system, were introduced to the North in 1973. Although its use has gradually increased, to the point where some ten communities north of 60° now have Anik long-distance telephone service, and many more receive CBC radio and television by satellite, a great number of communities still depend on unreliable HF radiotelephones to keep in touch with the outside world. We consider this a matter of very serious concern especially since reliable communications in the North can sometimes mean the difference between life and death. Given the importance of good communications to these remote communities, the Federal Government would like to see across the North, a level of basic communications services that approaches the standards in southern Canada. This has a very

high priority for us and I intend to do all I can, within the limit of the government's financial restraints, to realize this goal

Do not get me wrong. I am not saying that the villagers of Grise Fiord on Ellesmere Island should have the latest in cable-TV converter service. I do not think they would want 15 southern TV channels which have little to do with their needs or their way of life. But I do think they should have basic long-distance telephone service for emergencies, as well as radio and television from the CBC's northern service. The CBC's signals can, of course, be made available to all communities in the North via Anik, and I think that, as funds become available and, provided the people want it, there is no reason why any of these small remote communities should lack CBC radio and TV. There is also a great need for local programming, but I will not go into that, despite my great interest in it. Basic long-distance telephone service of acceptable quality is the first priority in these communities, and that is what we would like to bring to every community in the North.

We have already used a minimum annual revenue guarantee formula to assist Bell Canada to bring satellite service to a number of communities in the far North as well as in northern Ontario and Nouveau-Québec. This arrangement has worked reasonably well, but it does have a number of

drawbacks. It is a difficult plan to administer, and the funds tend to get lost in the carriers' general revenues. Accordingly, for some time now, we have been looking at other ways and means of assisting the two carriers in the North so that our assistance is not swallowed up or mis-directed, and also - just as important - so that it does not interfere with the carriers' right to manage their own affairs. One possibility we have considered is an assistance program of capital grants to cover the costs of inter-community links. If implemented, such a program would give government the financial authority to provide the carriers with one-time capital grants for specific individual projects. The carriers, for their part, would continue to absorb the costs of local exchanges, outside plant as well as all operating and maintenance expenses. As you can well imagine, the plan does not propose to do away with the principle of cross-subsidization. For us, this is a vitally important principle and whatever funding scheme we eventually adopt will be sure to maintain it. In the capital grant scheme I have just outlined, for example, the yearly costs of extending service to each community would be shared almost equally for the first several years between the government and the carriers.

But finding new and co-operative ways of financing hardware expansion is by no means the whole of the problem. Canada's northland is a very special place with very special needs. More than half the population of the two territories

north of 60° is composed of native people including Indians, Inuit and Metis. Many of these people still live off the land to some extent and have little disposable income. Those who do are forced to pay their telephone bills by sending cash in the mail, since few communities have banks or post offices that issue money orders, and there are few local billing offices. The carriers serving this huge area must be sensitive to the special needs of these people, and respond to them with imagination. In these respects, the northern parts of the provinces have much in common with the far North, and the same responsiveness is needed there, too. To respond satisfactorily to the special needs of the people in these areas of the country, the carriers should begin, I think, to consider some innovations and changes.

I do not want to usurp your managerial prerogative, but I would urge you to consider some of the following ideas. What about training more local residents to carry out first-line maintenance? This would reduce the need to fly in a maintenance crew for what might be quite minor repairs. These local maintenance men might also double as local billing agents in communities which lack banks or suitable post offices. They could also help prevent misunderstanding

by explaining, in native languages, billing procedures, what charges are made for what services, and generally perform a valuable public relations role. Have you people given any thought to innovations in rate structures as the techniques of northern communications change? Government must be prepared to assist the carriers in extending service to these low revenue areas, but the carriers, for their part, must be prepared to consider new approaches to meeting the special needs of the people who live there.

While I have talked mostly about the North, in both the narrow and the broad sense, we must not forget that large parts of the south are also relatively poorly served by telecommunications. I refer of course to rural Canada where service standards are generally considerably lower than in the cities. Here again, as you well know, there is the problem of high costs and low revenues. And just as service in the sparsely-populated North is cross-subsidized by southern subscribers, so is rural service cross-subsidized by urban subscribers. New advances in technology such as fiber optics may help to reduce the costs of rural telecommunications, but improving service in these areas will still be a very costly affair. But improve it must, if all Canadians are to enjoy an acceptable level of telecommunications service. I am sure you will agree that the existing service level in much of rural Canada is simply not acceptable; all in all, it is probably the weakest link in an otherwise quite sturdy chain. And while

I am not one to brandish a heavy stick, I think you should know that our Phase II draft legislation makes provision for increased government involvement in the social aspects of telecommunications.

As in the northern case, I am not suggesting that every rural subscriber should immediately receive the same services available to the urban subscriber - the costs of that would be prohibitive - but I do think we should attempt to meet the needs of rural people more effectively. Of course, their needs are different from those of city dwellers, but we must not assume that eight or ten parties to a line, that is sometimes out of service for days, is acceptable to all of them. Some farmers run pretty sophisticated businesses, and their need for ready access to a telephone line may be as great as yours or mine. Improving rural service to acceptable standards is one of the great challenges that we shall have to face in the next several years. The size and extent of this challenge has yet to be defined, but perhaps, as a first and important step towards this end, we should all aim at providing reliable telephone service of relatively even quality in all rural areas.

It is obvious, I think, that governments will be called upon more and more to work together with the carriers if the demands for more and better telecommunications services are to be met. As I said at the beginning, Canadians enjoy

probably the best telecommunications system in the world. But we must not allow the excellence of our overall system to make us complacent. There are weak spots in the system and I have mentioned what I think are the two major ones - the remote and rural areas of Canada. Much work remains to be done and we in government must work together with you, the carriers to see that it gets done - in reasonable time and at reasonable cost.

L'EXTENSION DE SERVICE

NOTES POUR UNE ALLOCUTION
DE L'HONORABLE JEANNE SAUVÉ
MINISTRE DES COMMUNICATIONS
LORS DES ASSISES ANNUELLES DE
L'ASSOCIATION CANADIENNE DES
ENTREPRISES DE TÉLÉCOMMUNICATIONS
À ST-ANDREW'S-BY-THE-SEA,
NOUVEAU-BRUNSWICK
LE LUNDI 21 JUIN 1976



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Monsieur le Président, Mesdames et Messieurs,

Votre association est passablement jeune, mais déjà une tradition s'y est établie. Celle d'inviter chaque année le Ministre des Communications à venir vous entretenir de quelque question d'intérêt commun. Pour moi, l'expérience est toutefois inédite, et je suis très heureuse de pouvoir prendre une part active à vos travaux en vous adressant la parole sur un problème qui nous intéresse tous au plus haut point: l'extension de service.

Comme vous le savez probablement, j'ai annoncé il y a quelques semaines à Toronto que le gouvernement fédéral était sur le point de prendre certaines initiatives dans le domaine inexploré et potentiellement lucratif de la télévision payante. J'aimerais, bien sûr, pouvoir vous annoncer un développement semblable dans le domaine des télécommunications. Mais malheureusement aucune innovation de ce genre ne s'annonce à l'horizon. Le téléphone payant existe déjà! Et comme vous le savez d'expérience, loin d'être la mine d'or que d'aucuns imaginent trouver dans la télévision à péage, le téléphone ne rapporte pas toujours et partout de quoi compenser les frais d'installation et d'entretien.

Bien sûr, je ne veux pas dire que vous êtes condamnés à diriger des entreprises de télécommunications inefficaces

et non rentables. Nous savons tous que tel n'est pas le cas. Et les Canadiens bénéficient probablement du meilleur système de télécommunications au monde.

Certes notre système est complexe et compte un nombre important de compagnies et d'organismes, comme en témoigne la composition de l'auditoire ici présent, mais cette complexité et cette diversité ne l'empêchent pas de très bien fonctionner. Et cela est tout en votre honneur. D'ailleurs, non seulement notre système a-t-il toujours fonctionné de façon harmonieuse, mais il n'a cessé de se développer et de s'améliorer au cours des ans.

Le Canada a joué en effet un rôle de premier plan dans le développement des nouvelles technologies de télécommunications, et il s'est montré particulièrement novateur dans l'emploi de ces technologies. Si bien, que nous avons réussi à maintenir l'excellence de notre système de télécommunications malgré un rythme de croissance très rapide. Mais ces nouvelles technologies nécessitent d'énormes investissements sujets, depuis quelques années, à des taux d'intérêt extrêmement élevés, de même qu'aux autres perturbations économiques causées par l'inflation. L'inflation nous frappe tous, et l'industrie des télécommunications ne fait pas exception à la règle. Et il n'est que juste d'affirmer qu'en dépit de la montée vertigineuse de vos coûts, vous avez réussi à trouver des moyens efficaces pour réduire

les dépenses auxquelles vous deviez faire face. Je sais que ce souci d'efficacité a toujours été l'une de vos principales préoccupations, et je crois que cela mérite d'être connu du grand public. En fait, l'industrie des télécommunications est l'une des plus efficaces au sein de l'économie nord-américaine. Et j'ai confiance qu'en dépit de l'inflation, dont Monsieur Macdonald vient heureusement de nous annoncer le ralentissement, votre industrie continuera d'innover, sur le plan technologique comme sur le plan des méthodes d'exploitation, afin d'augmenter son rendement et de minimiser ses coûts dans les années à venir.

Par ailleurs, de nouvelles techniques, et en particulier les systèmes à satellite, ont marqué le développement du grand Nord où elles permettent d'assurer des services de télécommunications de grande qualité dans les agglomérations les plus reculées. Et comme de nos jours, les nouvelles voyagent vite, même dans les régions éloignées, les habitants de ces régions perdues se demandent pourquoi ils ne peuvent bénéficier de services de télécommunications comparables à ceux que les Canadiens des grandes villes prennent pour acquis depuis déjà un bon moment. Pourquoi, par exemple, une personne habitant une petite localité éloignée devrait-elle se rendre à la station radio pour appeler par radiotéléphone HF un cousin vivant dans une agglomération voisine, en n'ayant jamais que 60% des chances de le rejoindre, alors qu'il nous est possible, sans même quitter notre domicile, de communiquer

en direct avec pratiquement n'importe quel endroit en Amérique du nord?

La situation semble injuste, mais l'extension des services téléphoniques à des agglomérations éloignées nécessite évidemment des déboursés très importants. Selon une expression que j'aime bien, les systèmes de télécommunications par satellite sont "insensibles aux coûts" imposés par les grandes distances. Mais ils nécessitent malgré tout des dépenses énormes. Non pas si on les compare avec des installations de Terre similaires, mais si l'on établit plutôt un rapport entre les coûts et les revenus engendrés par ces équipements dans les petites agglomérations éloignées.

Par le passé, les sociétés exploitantes de télécommunications ont fait appel à l'interfinancement pour étendre leurs services à des régions peu rentables de leurs territoires de desserte. L'interfinancement a toutefois des limites et, dans certains cas, ces limites ont peut-être été atteintes. C'est précisément dans ces cas que le gouvernement a, selon moi, la responsabilité d'aider les sociétés exploitantes à répondre à leurs obligations. Il n'est pas toujours facile de déterminer la forme idéale que doit revêtir cette aide, mais une collaboration entre le gouvernement et l'industrie s'impose si l'on veut pouvoir répondre aux demandes d'amélioration de service dans certaines régions peu ou pas rentables.

Afin d'illustrer ce besoin de collaboration entre gouvernement et l'industrie, j'aimerais discuter brièvement

de la situation qui prévaut dans le Grand Nord, où les deux sociétés exploitantes de télécommunications réglementées par le gouvernement fédéral accusent depuis toujours des pertes de revenus, ou du moins sont sur le point d'en accuser, là où elles veulent améliorer le service. Et même si mes remarques s'appliquent davantage aux régions nordiques situées au-delà du 60^e parallèle, parce que les services de télécommunications y sont réglementés par le gouvernement fédéral, je crois qu'en gros, elles pourraient également s'appliquer aux régions nordiques des provinces qui connaissent à peu près les mêmes problèmes.

Grâce au système Anik, de Télésat Canada, des services de télécommunications de haute qualité a été mis en oeuvre dans le Nord, dès 1973. Et l'utilisation de ce service a augmenté, à tel point qu'environ dix collectivités situées au nord du 60^e parallèle jouissent maintenant du service téléphonique interurbain et que de nombreuses autres reçoivent par satellite les émissions de radio et de télévision de Radio-Canada. Mais un grand nombre d'autres collectivités doivent toujours se contenter de communiquer avec le monde extérieur par des radiotéléphones HF qui sont loin d'être fiables. Nous estimons qu'une telle situation est on ne peut plus préoccupante du fait que la fiabilité des moyens de communication dans le Nord peut parfois signifier la différence entre la vie et la mort. Compte tenu de l'importance d'assurer un service de télécommunications fiable pour ces collectivités éloignées,

le gouvernement fédéral aimerait que la qualité des services de base dans toutes les régions nordiques réponde de près aux normes en vigueur dans le sud du Canada. Nous accordons à cette question une très grande importance et, compte tenu des restrictions financières que s'est imposées le gouvernement, j'ai l'intention de faire tout en mon possible pour atteindre cet objectif dans les meilleurs délais.

Comprenez-moi bien. Je ne veux pas dire que les villageois de Grise Fiord sur l'île Ellesmere devraient disposer du service le plus moderne de convertisseur de télévision par câble. Je ne crois pas que ces personnes aimeraient pouvoir capter 15 postes de télévision présentant des émissions du Sud qui ne satisfont en rien leurs besoins et qui n'ont rien à voir avec leur mode de vie. Néanmoins, j'estime que ces collectivités devraient jouir d'un service téléphonique interurbain minimum pour faire face aux situations d'urgence, et qu'elles devraient également recevoir les émissions de radio et de télévision du service de radiodiffusion nordique de Radio-Canada. Le système Anik permet évidemment de transmettre les signaux de Radio-Canada à toutes les collectivités du Nord, et je crois, qu'au fur et à mesure que les fonds seront disponibles, et pourvu que les gens soient d'accord, il n'y a aucune raison de priver ces petites collectivités éloignées du service de radio et de télévision de la société Radio-Canada.

Bien sûr, les besoins en matière de programmation locale sont également importants. Et cette question me tient à coeur. Mais je m'abstiendrai d'en parler aujourd'hui. L'instauration d'un minimum de service téléphonique interurbain qui soit de qualité acceptable, constitue la première priorité de ces collectivités, et c'est elle que nous voudrions satisfaire dans chaque communauté du Grand Nord.

Nous nous sommes déjà servi d'une formule de garantie de recettes annuelles minimales dans le but d'aider Bell Canada à étendre ses services par satellite à un certain nombre de localités du Grand Nord ainsi qu'à des localités du Nord de l'Ontario et du Nouveau-Québec. Cet accord a donné des résultats assez satisfaisants, mais il présente un certain nombre d'inconvénients. En effet, c'est un projet difficile à administrer et les sociétés exploitantes ont tendance à fondre ces revenus d'appoint dans leurs recettes générales. Nous cherchons donc depuis un certain temps déjà d'autres façons et d'autres moyens d'aider les sociétés exploitantes dans le Grand Nord. De telle sorte que notre aide financière ne soit pas drainée ou utilisée à d'autres fins et, ce qui n'est pas moins important, qu'elle ne vienne pas empiéter sur le droit des sociétés exploitantes à administrer elles-mêmes leurs propres affaires. L'une des possibilités que nous avons envisagées est la mise sur pied d'un programme d'aide destiné à fournir des subventions pour

couvrir les frais afférents aux liaisons entre les localités. Si ce programme est mis en oeuvre, il assurera au gouvernement les pouvoirs financiers nécessaires pour fournir aux sociétés exploitantes des subventions exceptionnelles destinées à des projets bien spécifiques. Pour leur part, les sociétés exploitantes continueraient d'absorber les coûts des centraux locaux et ceux des installations extérieures, ainsi que tous les frais d'exploitation et d'entretien. Comme vous pouvez facilement le constater, ce projet n'envisage absolument pas l'abandon du principe de l'interfinancement. A notre avis, il s'agit là d'un principe dont l'importance est vitale. Et, quel que soit le schéma de financement que nous adopterons, nous veillerons à son maintien. A titre d'exemple, le schéma de financement par mode de subventions, que je viens d'expliquer, prévoirait que les coûts annuels pour l'extension des services à chaque collectivité seraient partagés à part égale entre le gouvernement et les sociétés exploitantes, au cours des quelques premières années.

Cependant, le fait de trouver des façons nouvelles et conjointes de financer l'accroissement du matériel n'épuise pas toute la question. Le Grand Nord canadien est un endroit très particulier qui possède des besoins également très particuliers. Plus de la moitié des personnes qui habitent les territoires au nord du 60^e méridien sont des autochtones, y compris des Indiens, des Inuits et des Métis.

Un grand nombre de ces personnes vivent en quelque sorte en marge du pays, et elles ne disposent que d'un faible revenu. Celles qui ont un revenu suffisant sont obligées de payer leurs comptes de téléphone en expédiant de l'argent comptant par courrier, étant donné le très petit nombre de localités qui disposent d'un bureau de poste ou d'une banque pour émettre des mandats-postes ou des mandats de banque. Et la rareté des bureaux locaux de facturation est tout aussi grande.

Les sociétés exploitantes qui desservent cette vaste région doivent donc être sensibles aux besoins spéciaux de sa population et tenter de les satisfaire en faisant preuve d'imagination. Sur ce plan, les régions nordiques ressemblent étrangement au Grand Nord, et l'on devrait être tout aussi sensible à leurs besoins particuliers. Pour être en mesure de répondre de façon satisfaisante aux besoins de ces régions du pays, j'estime que les sociétés exploitantes devraient envisager la possibilité d'opérer certains changements dans leur façon de faire.

Bien que je ne désire aucunement usurper vos prérogatives en matière de gestion, j'aimerais quand même vous soumettre quelques suggestions. Ne pourrait-on pas initier, par exemple, plus de résidents locaux aux opérations routinières d'entretien? Cela éviterait de déplacer par avion toute une équipe d'experts pour effectuer très souvent des réparations tout à fait mineures. Ces équipes locales

pourraient également être chargées de la facturation dans un certain nombre de collectivités qui ne disposent d'aucune banque ou bureau de poste convenables. Elles pourraient, au surplus, éviter bien des malentendus en expliquant, dans la langue des autochtones, les procédures de facturation ou les modifications apportées à certains services. Et leurs membres accompliraient en général le rôle fort utile d'agent de relations publiques. Par ailleurs, ne faudrait-il pas songer à innover dans le domaine des tarifs, au fur et à mesure où les techniques de communications changent dans le Grand Nord? Quoi qu'il en soit de ces questions, l'Etat doit être disposé à aider les sociétés exploitantes à desservir ces régions à faible revenu, mais, de leur côté, les sociétés doivent être disposées à rechercher de nouvelles façons de satisfaire les besoins spéciaux des habitants du Grand Nord.

Même si j'ai surtout parlé des régions nordiques, nous ne devons pas oublier que de grandes parties du Sud sont, elles aussi, assez mal desservies par les entreprises de télécommunications. Je veux parler, bien sûr, du Canada rural où les normes de service sont en général bien moins élevées que dans les grandes villes. Encore là, le problème en est un de coûts élevés et de revenus bas. Et de même que le service aux populations peu dispersées du Grand Nord est en partie financé par les abonnés du Sud, ainsi le service rural devra être partiellement financé par les abonnés des centres urbains.

Les nouveaux progrès de la technologie, comme par exemple les fibres optiques, peuvent contribuer à réduire les coûts des télécommunications rurales, mais l'amélioration du service dans ces régions continuera quand même d'être une entreprise onéreuse. Il doit cependant y avoir amélioration si nous voulons que tous les Canadiens bénéficient d'un niveau acceptable de service de télécommunications. Car vous admettez avec moi que le niveau actuel du service de télécommunications dans la plupart des régions rurales du Canada est tout bonnement inacceptable. A tout prendre, il constitue sans doute le maillon le plus fragile d'une chaîne par ailleurs très résistante. Et bien que je n'entende menacer personne, je pense qu'il serait bon que vous sachiez que la Phase II de notre nouvelle législation permettra au gouvernement de s'impliquer davantage dans les aspects sociaux des télécommunications.

Tout comme dans le cas des régions nordiques, je n'irai pas jusqu'à soutenir que tous les abonnés ruraux doivent immédiatement recevoir l'ensemble des services accordés aux abonnés des régions urbaines. Le coût en serait nettement prohibitif. Mais je crois sincèrement que nous devrions essayer de répondre plus efficacement aux besoins des populations rurales. Bien entendu, leurs besoins diffèrent de ceux des citadins, mais nous ne devons pas croire que huit ou même dix abonnés sur une même ligne,

sujette à des pannes de plusieurs jours, constitue un niveau de service acceptable pour tous les habitants des régions rurales. Certains agriculteurs dirigent des entreprises passablement complexes, et ils peuvent avoir besoin autant que vous ou moi, d'un service téléphonique rapide et fiable.

L'amélioration du service rural pour l'amener à respecter des normes acceptables, constitue l'un des plus importants des défis que nous aurons à relever au cours des quelques années à venir. L'ampleur et la portée exacte de ce défi n'ont pas encore été cernés avec certitude, mais une première étape importante consisterait sans doute à assurer un service téléphonique de qualité sensiblement égale dans toutes les régions rurales du pays.

Il est évident, je pense, que les gouvernements seront de plus en plus appelés à travailler de pair avec les sociétés exploitantes de télécommunications, si nous voulons vraiment répondre aux demandes croissantes d'amélioration des services de télécommunications. Comme je le disais au début de ce discours, les Canadiens bénéficient probablement du meilleur système de télécommunications au monde. Mais nous ne devons pas pour autant nous endormir sur nos lauriers. Notre système comporte des faiblesses, dont les deux principales sont sans doute les services ruraux et les services dans les régions excentriques

du pays. Il reste donc passablement de pain sur la planche, et le gouvernement devra travailler en étroite collaboration avec vous, les sociétés exploitantes, si nous voulons vraiment améliorer ces services, à un coût abordable et dans un délai raisonnable.

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Notes and speech

NOTES FOR A SPEECH

BY THE MINISTER OF COMMUNICATIONS

MME JEANNE SAUVÉ

AT THE CONFERENCE BOARD OF CANADA

TORONTO

NOVEMBER 9, 1976



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Mr. Chairman, fellow panelists, ladies and gentlemen:

I would like to thank the Conference Board for inviting me to take part in this discussion of American Influences on Canadian Culture. I think all the panelists would agree that a general treatment of this topic would be rather difficult to manage in the space of a single afternoon, and I suspect that each of us will want to take refuge in a narrower and sharper focus on the theme. With your indulgence, I propose to confine myself to the area of broadcasting, and the influence which the United States has had on the development broadcasting policy in Canada.

Since I became Minister of Communications some 10 months ago and assumed the Parliamentary responsibility for the regulation of the Canadian broadcasting system, it has become evident to me that a great deal of the broadcasting policy in this country has been fashioned in response to the strong American influence on our broadcasting environment. The regulations dealing with Canadian content on television, for instance, and much of our cable television policy, have been designed to limit the extent to which American culture dominates the Canadian broadcasting system. But I am very much afraid that in devising ways to protect our own culture from being eroded by American influences, we may have been looking at the wrong end of the problem. Rather than merely adopting inward-looking, protectionist policies to protect our broadcasting system from American influence, we should be searching for ways to revitalize the Canadian cultural identity from within. Our national broadcasting policy should strengthen the position of Canada as a centre for production of programs which Canadians and the rest of the world will want to see.

It is a common place to observe that broadcasting, and particularly television broadcasting, can significantly affect culture. It provides so massive a forum for informing, enlightening, and entertaining us, that it

cannot be anything but an exceedingly strong influence on our collective tastes, values, attitudes and preferences. Of course, it is not an exclusive influence - there are other forces which do much to determine the cultural identity of Canadians - our educational philosophy and content, our political institutions, our legal values, and even, some would suggest, our climate! But few would deny the importance of broadcasting as a cultural influence.

In Canada, we look on our broadcasting system as a force for national unity. We would like broadcasting to be a means of telling people in British Columbia what the people in Nova Scotia are thinking, and vice versa. We would like broadcasting to provide a means of telling the rest of the world what Canadians are thinking. All these objectives are enshrined in the Broadcasting Act.

In fact, we have found it very difficult to achieve these objectives. Canadians can produce good television and I think our record in news, public affairs and documentaries is comparable to any other system in the world. But entertainment programming, which makes up the bulk of what people watch, is quite another thing - on Canadian television entertainment is synonymous with American.

Put another way, so far as entertainment is concerned, our broadcasting system, at least in English speaking Canada, has tended to emulate the American system, and in a sense has been a strong vehicle for spreading American culture. The constant influence of American television programs creates a real danger of eroding our self-image as a distinct society. Canadians often have a better knowledge of the United States than they have of their own country. They are often more aware of the American legal system, American politics, and American geography, than they are of Canada outside their own province. I am

not referring just to Canadian children, either. Just last week, we received a letter from a well-educated, highly respected businessman in Toronto. In his letter, he made reference to our Department of "Internal Revenue". He meant, of course, the Department of National Revenue.

A trivial example, you may say, and it is. I offer it, though, as an indication of the degree to which Canada is in danger of losing her separate identity. It is the aggregation of trivial examples which puts us in such danger. Commentators in the United States have remarked on the transformation and revitalization of the South which is symbolized by the emergence of Mr. Carter, the new President. They have ascribed the creation of the "new South" in large part to the influence of television as a factor in bringing the South into the mainstream of U.S. cultural life. Whether that theory is entirely accurate or not, I would not care to say. But I would say this: the television which may have produced the "new South" is the same television which Canadians watch every night. Will Canada become the "new North", indistinguishable from any other part of the United States?

As I mentioned a few minutes ago, the Canadian response to American cultural pressure, in the sphere of broadcasting, has been to try to control the extent to which our broadcasting system admits United States content. No doubt this effort is necessary, but it may nonetheless be doomed to failure for several reasons. Regulatory policies alone are not likely to stop Canadians watching U.S. programs, because the signals of many U.S. stations are available directly off-air to most Canadians. Furthermore, it has been shown to be impossible to deny access to U.S. stations via cable to all of Canada. The Canadian public does not like being told what they can or cannot watch. And last of all, Canadian television itself relies heavily on content imported from

the United States, not just because Canadians have a taste for it, but also for economic reasons. Although television programs and films are produced there with huge budgets, the cost is amortized by sales to the huge U.S. market. Consequently, very expensively-made programs can be sold for broadcast in Canada for one-fiftieth of what it would cost to make them here.

In considering the American influence on Canadian broadcasting we usually confine ourselves to the content and style of the programming. Too often, we overlook another major influence, and that is the structure of the system. The distribution of broadcasting throughout Canada by means of licensing individual stations bound to other stations by networking arrangements, is essentially an American system. The local station, which is the keystone of this system, is again based on the American model. It is often difficult to remember that other models do exist. In Britain, for example, the private television system is national in scope, and consists of two distinct elements: a delivery system and a group of independent program production companies.

Having adopted a structure based on the U.S. model, we have decreed that it must "safeguard, enrich, and strengthen the cultural, political, social and economic fabric of Canada". We have attempted by strong regulation to adapt to this purpose a structure which was invented under very different circumstances and with very different objectives. The American structure was not designed to take into account either the existence of two official languages, or the differing needs and interests of the various regions of Canada.

I would suggest to you that most of the present troubles of our Canadian broadcasting system relate as much to the structure we have adopted, as to the

American influence. Regulatory policies alone will never redress the situation; we need to take a more positive approach to the problem. Of course, it will always be essential to take whatever legislative action is necessary to protect the economic viability of our broadcasting system, simply because that system must carry out certain tasks of vital importance to Canada's well-being. But we must go further, and try to create a unified and national policy for developing Canadian potential for program production.

The demand by Canadians for access to the best the world has to offer has a price. In the case of broadcasting, the price can either be our own culture, or, more positively, it can be full-scale effort to ensure that our talent and resources are used to make Canadian film and television productions the world's best. We must be able to offer good Canadian programs and films to the international market, including the U.S.A.

In the current public debate over the introduction of pay television, I have tried to make this one point clear, above all else: we are faced with a choice between, on the one hand, following an American model again - and, on the other hand, taking advantage of the opportunity to use pay television as a tool to strengthen Canadian production.

My department and the CRTC have been studying the strengths and weaknesses of Pay-TV as carefully as we can. Our goal is to develop a structural model that can harness the financial potential of Pay-TV to produce Canadian programs which will sell on the world market. In initiating the development of such a model, I have borne in mind three things: first, Pay-TV must not be allowed to injure the existing broadcasting system or to deprive Canadians of any of the services which it now provides; second, we must have public support for its introduction in a controlled fashion; and, third it must

be a structure that is suited to Canadian needs from the beginning.

Pay television can be used to strengthen Canadian production, but only if we develop policies as a nation. I intend of course to cooperate and consult with the provinces, and I am keenly aware that what seems right for Ontario may not be right for Saskatchewan. But if there is to be a real Canadian film industry, we must bring film producers together, not divide them into camps separated by region or even by language. It seems to me that in films, as in many other art forms, there is a real difficulty in producing good work in isolation - a film is too much a cooperative effort, requiring many different talents. We must find ways to create a pool of talent in this country upon which film-makers can draw.

It is my hope that, if we are able to help film production in Canada by using, if we must, pay television as a catalyst, the effects will spread throughout the entire Canadian cultural community. Instead of being dependent on foreign television, for instance, we will be able to enter into a cultural trade with the world, in which we may hope to carve a place for ourselves. I am as aware as anyone of the difficulty of this task. However, what I have tried to impress on you in my brief remarks about broadcasting is that in developing policies to foster Canadian culture, we must take care not to be short-sighted, or blind to the larger reality of Canada's potential place in the world's culture. Adopting a defensive posture is risky: one cannot grow up in a constant crouch. I hope that we will one day reach the point where it will no longer be necessary to discuss American Influences on Canadian Culture in meetings of this sort. I hope that it will be unnecessary because Canadian culture will be unequivocally Canadian.

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NOTES POUR UNE ALLOCUTION
DE L'HONORABLE JEANNE SAUVE
MINISTRE DES COMMUNICATIONS
LORS D'UN DÉBAT ORGANISÉ PAR
LE CONFERENCE BOARD OF CANADA
À TORONTO

LE MARDI, 9 NOVEMBRE 1976



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Monsieur le Président, chers collègues, Mesdames et Messieurs,

Je tiens à remercier le "Conference Board" de m'avoir invitée à prendre part à ce débat sur l'influence exercée par les Etats-Unis sur la culture canadienne. Mes collègues conviendront avec moi qu'il serait bien difficile d'aborder globalement tous les aspects de cette épineuse question au cours d'un seul après-midi, et chacun d'entre nous choisira sans doute d'aborder le sujet suivant une optique à la fois plus limitée et plus précise. Je me propose donc, si vous le voulez bien, de restreindre mon exposé au domaine de la radiodiffusion et plus particulièrement au problème de l'influence qu'ont exercée les Etats-Unis sur le développement de notre politique canadienne de radiodiffusion.

J'occupe depuis environ dix mois le poste de ministre des Communications, et j'assume de ce fait la responsabilité parlementaire du système canadien de radiodiffusion. Cela m'a permis de constater qu'une grande partie de notre politique de radiodiffusion a été expressément conçue pour faire face à l'influence massive qu'exercent les Etats-Unis sur la radio et la télévision de chez-nous. Les règlements sur le contenu canadien des émissions ainsi qu'une grande partie de la politique régissant la télévision par câble ont été conçus en vue de limiter la domination de la culture américaine sur notre

système canadien de radiodiffusion. J'ai toutefois l'impression qu'en tentant d'inventer des moyens d'enrayer l'influence des Etats-Unis sur notre culture nationale, nous avons envisagé le problème sous le mauvais angle. En effet, plutôt que de nous enfermer chez-nous et d'adopter des politiques protectionnistes pour mettre notre système de radiodiffusion à l'abri de l'influence américaine, nous aurions mieux fait de rechercher les moyens de renforcer de l'intérieur la personnalité culturelle des Canadiens. Notre politique nationale de radiodiffusion devrait encourager le Canada à devenir un centre de production d'émissions capables d'intéresser vraiment les autres pays du monde.

Il est devenu banal de noter que la radiodiffusion, et plus particulièrement la télévision, exercent une profonde influence sur la culture d'un peuple. La radio et la télévision sont des moyens si puissants d'information, d'éducation et de distraction, qu'elles ne peuvent qu'exercer une influence marquée sur nos goûts, nos valeurs, nos attitudes et nos préférences. Bien sûr, ce n'est pas la seule influence que nous subissons. D'autres forces contribuent également à façonner l'identité culturelle des Canadiens. Le contenu et la philosophie de notre système d'éducation, nos institutions politiques, nos valeurs juridiques, et même notre climat, sont quelques-unes des forces qui agissent sur nos consciences pour les doter d'une identité canadienne. Mais

peu de gens nieront l'impact profond de la radiodiffusion sur notre culture contemporaine,

Au Canada, nous considérons d'ailleurs notre système de radiodiffusion comme un instrument d'unité nationale. Nous désirons que la radiodiffusion soit un moyen de faire savoir aux Canadiens de la Colombie-Britannique ce que pensent leurs concitoyens de la Nouvelle-Ecosse et vice versa. Nous voudrions que la radiodiffusion nous permette de faire connaître nos idées et nos rêves au reste du monde. Et tous ces objectifs, nous les avons inscrits noir sur blanc dans notre Loi sur la radiodiffusion.

Dans les faits, nous avons cependant trouvé fort difficile la poursuite de ces objectifs. Les Canadiens produisent sans doute de bonnes émissions de télévision, et je suis convaincue que nos émissions d'information et d'affaires publiques, de même que nos documentaires, sont comparables à ceux qu'on réalise n'importe où dans le monde. Mais il en va tout autrement des programmes de divertissement, qui constituent la majeure partie des émissions que regarde la population. Et sur les ondes de la télévision canadienne, divertissement est devenu pratiquement synonyme d'américain.

En d'autres mots, dans le domaine des émissions de divertissement, notre système de radiodiffusion, du moins

au Canada anglais, est devenu le moyen de dissémination par excellence de la culture américaine. Et cette influence quotidienne de la télévision américaine risque d'éroder lentement mais sûrement notre conscience de former une société distincte et originale par rapport à la société américaine. Il arrive souvent que des Canadiens connaissent mieux les Etats-Unis que leur propre pays. Et il n'est pas rare de trouver des gens qui sont plus éveillés aux réalités juridiques politiques et même géographiques des Etats-Unis, qu'ils ne le sont aux réalités canadiennes, à l'extérieur de la province qu'ils habitent. Et je ne parle pas uniquement des jeunes Canadiens. Ainsi, la semaine dernière, nous avons reçu une lettre d'un homme d'affaires instruit et bien vu de la région de Toronto. Dans cette lettre, il nous parlait du ministère du "Revenu interne" alors qu'en réalité il voulait parler du ministère du Revenu national.

Sans doute me direz-vous, qu'il s'agit là d'un exemple sans grande importance. Et vous avez raison. Mais si je l'ai cité, c'est pour illustrer à quel point le Canada risque de perdre son identité propre en multipliant les confusions de ce genre entre nos institutions, notre réalité, et celles des Américains. Les commentateurs américains ont eux-mêmes souligné la métamorphose et le regain de vitalité du Sud des Etats-Unis et l'élection du sudiste, M. Carter, au poste de Président des Etats-Unis, illustre ce fait à merveille.

Et l'apparition de ce "nouveau Sud", on l'attribue à l'influence de la télévision, car c'est elle qui a contribué à amener le Sud dans l'axe de la vie culturelle américaine. Je ne me prononcerai pas sur le bien-fondé de cette hypothèse. Mais je tiens à vous faire remarquer que les émissions de télévision qui ont contribué à l'apparition du "nouveau Sud" américain sont exactement les mêmes que regardent chaque soir des milliers de Canadiens. Le Canada deviendra-t-il, à ce compte, un "nouveau Nord" identique à n'importe quelle région des Etats-Unis? La question vaut la peine d'être posée.

Comme je l'ai dit il y a quelques minutes, le moyen que le Canada a employé pour contrer la pression culturelle américaine en matière de radiodiffusion a été d'essayer de contrôler la proportion des émissions américaines diffusées sur les ondes canadiennes. Ces mesures sont évidemment nécessaires, mais elles risquent d'échouer pour plusieurs raisons. Tout d'abord, des politiques et des règlements ne sauraient à eux seuls empêcher les Canadiens de regarder les émissions américaines, car les signaux en provenance de nombreuses stations américaines peuvent être captés en direct par la plupart des Canadiens. De même, dans le cas du câble, nos efforts pour empêcher les stations des Etats-Unis d'envahir le Canada ont été passablement vains, car le public canadien n'aime pas qu'on

lui dicte quelles émissions regarder. Enfin, il faut bien l'avouer, la télévision canadienne dépend énormément des émissions importées des Etats-Unis, non pas seulement à cause des goûts des Canadiens, mais également à cause de facteurs strictement économiques. En effet, bien que les Etats-Unis consacrent d'énormes budgets à la production d'émissions de télévision et de longs métrages, les coûts en sont amortis par les seules ventes effectuées sur l'immense marché intérieur américain. Ces émissions, produites à prix fort, peuvent donc être vendues au Canada pour un cinquième du prix qu'il en coûterait si on les produisait ici même au pays.

Par ailleurs, lorsque nous étudions l'influence des Etats-Unis sur la radiodiffusion canadienne, nous nous limitons habituellement au contenu et au style de la programmation. Nous négligeons trop souvent un autre facteur d'une importance primordiale, à savoir, la structure du système. Au Canada, la radiodiffusion est assurée à l'échelle nationale par un ensemble de stations sous licence individuelle, qui se constituent en réseaux. C'est là un système typiquement américain. La station locale, qui devient le pilier de ce système, est également conçue selon le modèle américain. On en vient même à oublier qu'il existe d'autres modèles dans le monde. En Angleterre, par exemple, le système de télévision privé opère à l'échelle nationale, et il se compose de deux éléments distincts: un système de distribution, et un groupe

de compagnies indépendantes chargées de la production des émissions.

Nous avons adopté un système calqué sur le modèle américain, et nous lui avons donné pour objectif "de sauvegarder, d'enrichir et de raffermir la structure culturelle, politique, sociale et économique du Canada". Grâce à des règlements sévères, nous avons ensuite tenté d'adapter à nos objectifs une structure qui a été conçue en fonction d'une situation et d'objectifs très différents des nôtres. Le système américain n'a pas été conçu pour tenir compte de l'existence de deux langues officielles, ou pour répondre aux besoins et aux intérêts particuliers des diverses régions du Canada.

Je crois donc que la plupart des difficultés auxquelles se bute notre système canadien de radiodiffusion tiennent tout autant à la structure qu'à l'influence des émissions américaines. Et aucune politique ou réglementation ne corrigera, à elle seule, cette situation. Il nous faut envisager une nouvelle façon d'aborder nos problèmes. Bien sûr, il sera toujours essentiel de prendre toutes les mesures législatives qui s'imposent pour protéger la viabilité économique de notre système de radiodiffusion, ne fût-ce qu'en raison de son importance vitale pour la survie et le mieux-être du Canada. Mais il nous faut aller encore plus loin, et tenter

de mettre au point une politique nationale unifiée en vue d'assurer un véritable développement du potentiel canadien en matière de production d'émissions.

Pour les Canadiens, avoir accès à ce que le monde a de mieux à offrir, doit se payer d'une quelconque façon. Et dans le cas de la radiodiffusion, nous avons le choix entre sacrifier notre propre culture ou nous mettre résolument à la tâche, en utilisant nos talents et nos ressources pour produire des films et des émissions de télévision qui soient ce qu'il y a de meilleur au monde. Nous devons être en mesure d'offrir sur le marché international, y compris les Etats-Unis, des émissions et des films canadiens de toute première qualité. Au cours des discussions publiques en cours sur la télévision à péage, j'ai essayé de mettre l'accent sur le dilemme auquel nous devons à nouveau faire face.

Nous avons le choix entre adopter une fois de plus le modèle américain, ou, au contraire, inventer le nôtre et tirer partie de la possibilité qu'offre la télévision à péage de renforcer le secteur canadien de la production.

Mon ministère et le CRTC ont étudié avec tout le sérieux qui s'impose les points forts et les faiblesses de la télévision à péage. Notre but est de mettre au point un type de structure qui permettra d'exploiter les revenus potentiels de la télévision à péage en vue de produire des

émissions canadiennes qu'il soit possible de vendre sur le marché international. En demandant aux gens de développer ce genre de structure, j'avais trois contraintes en tête. Premièrement, il ne faut, en aucun cas, que la télévision payante nuise au système de radiodiffusion existant ou qu'elle prive les Canadiens des services dont ils jouissent à l'heure actuelle. Deuxièmement, il nous faut l'appui du public pour introduire la télévision payante de manière ordonnée. Et finalement, il faut que la structure de la télévision à péage soit adaptée dès le départ aux besoins du Canada.

La télévision payante ne pourra être utilisée pour renforcer la production canadienne que si nous élaborons des politiques nationales. J'ai l'intention, bien entendu, de coopérer avec les provinces et de tenir compte de leur avis. Mais je suis consciente du fait que ce qui semble répondre aux besoins de l'Ontario peut ne pas répondre aux besoins de la Saskatchewan. Toutefois, si nous voulons mettre sur pied une véritable industrie canadienne du cinéma, il nous faut réunir les producteurs, et non les diviser en catégories fondées sur des critères régionaux ou même linguistiques. Il me semble que dans le domaine de la production cinématographique, comme dans bien d'autres secteurs des arts, il est difficile de réaliser seul du bon travail. La production d'un film exige la mise en commun d'une foule

de talents différents. Il nous faut donc trouver des moyens de regrouper tous ces talents au niveau national, de sorte que les producteurs puissent y faire appel.

J'espère que si nous parvenons à favoriser la production cinématographique au Canada en utilisant la télévision payante comme agent catalyseur, des effets bénéfiques s'en feront sentir dans la communauté culturelle canadienne toute entière. Ainsi, plutôt que de dépendre de la télévision étrangère, nous pourrons nous aussi procéder à des échanges culturels avec les autres pays du monde. Et pour la première fois, nous traiterons d'égal à égal avec nos divers partenaires.

Je reconnais, tout comme vous, que nous nous attaquons à une tâche difficile. Mais, l'essentiel de mon propos a été de vous faire voir qu'en élaborant des politiques de promotion de la culture canadienne, nous ne devons pas être myopes ou fermer les yeux sur la place plus importante que devrait et que peut occuper le Canada dans les échanges culturels internationaux. Adopter une position défensive sur ce plan, comporte, à mon sens, bien des risques, car on ne saurait grandir en se repliant constamment sur soi. Et j'espère qu'il ne sera bientôt plus nécessaire de discuter de l'influence des Etats-Unis sur la culture canadienne au cours d'assemblées comme celle-ci. Car je suis convaincue, que

cette question deviendra un faux-problème, dès que nous aurons réussi à nous bâtir au Canada une culture authentiquement et vitalement canadienne.

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NOTES FOR A SPEECH

BY THE MINISTER OF COMMUNICATIONS

MME JEANNE SAUVE

AT THE CANADIAN ASSOCIATION OF BROADCASTERS

WINNIPEG

APRIL 18, 1977



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I would like to say first that I was very pleased by the reports that I heard on your program, Dialogue Canada. I was impressed not simply by what took place on the show, but also by the spirit that put it together. It seems to me particularly apt that a program on national unity should be produced through the cooperation of members of one of the most competitive industries in the country. Indeed, Dialogue Canada should serve as an example to the rest of us. For it is only through adopting a new spirit of cooperation that Canada will survive as a nation.

Today I would like to address some remarks to you on the subject of cooperation between the different levels of government. In particular, I want to discuss the new telecommunications legislation that is before the House, and what its impact is likely to be on the broadcasting system.

The key political problem for any federal state is to achieve an appropriate balance of powers between the central government and the regions. In one form or another, this issue has dominated the public agenda and engaged the attention of Canadians for the last one hundred and ten years. From the Confederation debates of the 1860's through to the current period, every generation has had to define for itself how best to protect the interests of the provinces while preserving the integrity of the nation as a whole. It is probably not going too far to

suggest that this is the Canadian question par excellence, and that its resolution not only influences all other considerations, but also determines the very survival of the country.

Today we find ourselves living through a particularly difficult and troubling period in our history. On the one hand, the demands of an advanced economy and the attempt to meet social needs on a national scale seem to drive us relentlessly in the direction of greater centralization. The emergence of large-scale industrial undertakings, the creation of multi-national enterprises and the growth of major social security programmes all require strong central policies to cope with them. But at the same time, the very forces that are loosed by these developments seem to demand the opposite. For as we move in the direction of greater centralization, vigorous provincial governments are also necessary to preserve the traditional communities that formed us and give our lives meaning and perspective. In their absence, we would be confronted by the triumph of what George Grant has called 'the universal and homogeneous state': a condition in which regional cultures become nothing more than quaint curios, deprived of both substance and energy.

At the same time, it is important to note that no government has a monopoly on culture. Here in Manitoba, for example, the Royal Winnipeg Ballet is supported both by the Canada Council and the provincial arts council; and contributes to the cultural life of the region and

the country as a whole. Under these circumstances, the major political task becomes one of finding an appropriate relationship between the two levels of government - a relationship that recognizes the interdependence of cultural concerns, safeguards the aspirations of the provinces and still permits the effective pursuit of national goals.

In the area of broadcasting, the problem presents itself with particular urgency and insistence. The provincial governments have a series of important concerns about educational programming, regional and local expression, and the extension of services. But there are also important national dimensions that must be recognized. They include the necessity of ensuring equitable levels of service, of providing for the articulation of country-wide views and of safeguarding the integrity of the system as a whole. The difficulties of communications policy parallel those in other sectors of our national life; and we are forced to ask once again how to provide the most effective distribution of authority between the two levels of government.

At present, it is far from clear how this question should be answered. The most that can be said with any certainty is that many people are not very happy about the current arrangements. In the area of programming, for example, people not living in Toronto and Montreal feel that they have insufficient influence on the media. They believe that

little production takes place outside the two great metropolitan areas, and that their views and interests are poorly reflected, if at all. Within these cities, however, a strangely similar complaint is also heard. Some groups have argued that given the current geographical boundaries of the cable franchises, it is extremely difficult to obtain adequate local and community programming. The overall effect appears to be one in which everybody is dissatisfied: people outside the two major cities feel dominated by their views of culture, while those inside feel stifled as well.

Similarly there are serious problems about access to the media. While people in the large metropolitan areas often receive upwards of a dozen different channels, those outside the major cities rarely receive more than two, and sometimes none at all. The consequence of this is to increase the disparities that already exist among regions, and to widen the cultural gap between rural and urban life. More broadly, the mistrust and alienation attendant on inequality of access contribute to a further weakening of the union and exacerbate the problems that already face us as a nation.

Within existing structures, there is little that can be done about these problems. Under the provisions of the Broadcasting Act, the Federal Government's direct authority over the development and direction of the system is restricted to four closely circumscribed areas: design-

nating the maximum number of channels in a particular part of the country, reserving channels for specific uses, defining classes of applicants who cannot receive licences, and setting aside or referring back CRTC licensing decisions. But clearly none of these powers is sufficient to come to grips with the problems that currently confront us. They could not in principle be used to resolve many of the minor issues, let alone the greater question of finding a new balance between the Federal Government and the provinces.

Largely for these reasons, we have spent over four years preparing major revisions to the legislation governing all aspects of telecommunications, including broadcasting. The process involved the publication of two policy papers, extensive consultations with the provinces and considerable discussion with interested parties both within and outside the government. The result of all this effort has now been introduced in the House of Commons, as Bill C-43, An Act Respecting Telecommunications in Canada; or, as it is known in the industry, The Phase II Legislation.

Three features of the Bill are of general interest and importance. First, the bill opens with a clear statement of national telecommunications policy. The policy, which was the subject of discussions with the provincial governments, will serve as a basis for decisions by the CRTC, the Governor in Council, and the Minister of Communications.

Second, the Bill will allow the Minister of Communications, with the consent of the Governor in Council, to enter into agreements with the provinces; and gives the Governor in Council the power to authorize the sharing of certain regulatory functions with provincial agencies. Third, the Bill empowers the Governor in Council to issue broad policy directions to the CRTC with respect to the national telecommunications policy.

Under Section 7 of the new Act, the Federal Government will be authorized by Parliament to enter into agreements with the provinces, concerning the sharing of any of the powers it now exercises. The importance of this section is that it allows the Federal Government to restructure the relationship between itself and the provinces; and it will, therefore, permit us to address many of the problems that I alluded to earlier in a manner that I hope will be satisfactory to both levels of government and to industry.

In regard to the exercise of these powers, I think the Canada-Manitoba Agreement is a good example of the manner in which we could proceed. As you know, the Federal Government recently concluded an agreement with the Government of Manitoba concerning the shared use of telecommunications. For its part, the Federal Government will retain responsibility for the regulation and supervision of all broadcasting and broadcast-related services, including pay-TV; while the Government of Manitoba will be responsible for all other telecommunication services

distributed within the province. This distinction not only clarifies the roles of the two governments, but also allows us to plan the future of cable. In other words, the agreement recognizes the provincial government's interests in respect of cable distribution; and, at the same time, preserves the federal role as far as questions of national importance are concerned.

As far as the other provinces are concerned, agreements with them must take into account the various social, economic and cultural needs they each have. In some cases, this may take the form of arrangements modelled on the Manitoba agreement; whereas in others we may well wish to consider quite different mechanisms. But regardless of the structures that are established in any particular case, all the agreements must be binding on all the parties involved and meaningful in terms of local conditions.

Let me pass on now to the power of direction that is set out in the new Act. Before doing so, however, I would like to make two very important points concerning the philosophy behind it. Under the present Broadcasting Act, the CRTC has played a major role in the development of policy. While I do not question that this had a beneficial effect in some areas or that consultation should take place between the CRTC and myself, it remains that a non-elected regulatory body was exercising powers that belong to the elected representatives, but for which the people could not hold them responsible. It is my view - and that of the

government - that such an arrangement cannot be considered compatible in the long term with the fundamental principles of a democratic state. In an area as crucial as telecommunications it must be governments that take the major policy decisions, and that are in turn held accountable by the electors.

At the same time, it would be inappropriate for governments to attempt to discharge any of the quasi-judicial functions that must be pursued in the area of telecommunications. For example, it would be quite unwise for governments to become involved in such matters as the awarding, renewal or revocation of licences. This could lead to patronage and, over time, interference with the fundamental freedoms of speech. As a result, it is equally important that the regulatory agency that is called upon to interpret and apply the policy be independent of the government of the day. In my view, both the independence of the CRTC and the right of the government to make policy are recognized in a closely circumscribed power of direction.

With these considerations in mind, I would like to describe for you the main provision of Section 9 of the new legislation. To begin with, Section 9 draws a very sharp distinction between the areas in which the government can give direction to the CRTC and those in which it cannot. The Government cannot - and here I think it appropriate to read from the Bill -

... issue directions to the Commission with respect to

- (a) the issue of a broadcasting license or the amendment or renewal thereof,
- (b) the content of broadcast programming;
- (c) the application of qualitative standards to broadcast programming;
- (d) the restriction of freedom of expression, or
- (e) the charges to be levied for particular telecommunication services or facilities.

In other words, all matters touching on freedom of expression, the licensing of individual operators and the rates to be charged are the exclusive responsibility of the CRTC. Despite comments I have heard to the contrary, the Government cannot by law infringe on any of these areas; and, it is plain from the legislation that the CRTC will retain its independence.

Outside of these areas, however, the Government is empowered - and here I would like to read from the Bill again - to

... issue directions to the Commission from time to time respecting the implementation of the telecommunications policy for Canada ...

As you can see from the language of the Act, the provisions of Section 9 grant fairly broad powers of direction; and the question that needs to be answered is how the Government will choose to exercise these powers. I will mention three examples of where we will be likely to give the Commission directions. These are: issues having international implications, issues bearing on federal-provincial relations and issues with broad structural implications for the broadcasting system. With your indulgence, I think it would be useful to explore each of these in turn.

As far as international matters are concerned, I think that the CRTC's commercial deletion policy is a good example of where this power might have been used if it had existed under the old Broadcasting Act. You will recall that the commercial deletion policy was originally instituted to discourage Canadian advertisers from buying time on American stations. While it is possible to question the merits of the policy - and I personally agree with it - we must ask ourselves whether it is appropriate for a regulatory agency to make decisions having major foreign policy implications. In other words, is it acceptable for a non-elected body to create major 'irritants' in our relations with the United States and for the Government to have no control over them?

By way of another example of where the power would be used, I could cite the Government's decision under the present Act to restrict ownership of broadcasting outlets to Canadians. Again, this policy had important implications for our relationship with the United States; and, as such, was properly the prerogative of the Government. More generally, I think that the Government is likely to want to exercise its power of direction in any questions involving foreign policy and Canada's relations with other countries.

The second area which I mentioned was federal-provincial relations. Although I have already indicated the importance that the Government attaches to negotiating a new set of arrangements between ourselves and the provinces, it is probably worth re-emphasizing this from the point-of-view of the provisions of Section 9. It is my belief - and I think it would be widely shared by most observers - that it is quite inappropriate for a regulatory agency to make policy in areas that bear on the most delicate aspects of our federation. To do so would involve the CRTC in the exacting and pre-eminently political task of finding new arrangements with the provinces. Not only would this be an abdication of the Government's responsibilities, it would doubtless be unacceptable to the provincial governments and I believe to the majority of Canadians.

The third general set of concerns that I mentioned involved major structural renovations or innovations with respect to the existing

system. In this regard, I think the question of cross-ownership provides a useful illustration of the issues at state. As you all know, the CRTC's policy in this area has major implications for all aspects of the system, since it impacts on the financial base of broadcasting in a direct and immediate fashion. In the same vein, the introduction of pay-TV could have serious and far-reaching consequences for the structure and organization of the industry. Like the cross-ownership policy it will have major effects on the financial base of broadcasting, the viability of the Canadian film and programme industries, the extent of American cultural penetration, and so on. In both of these cases, the critical issues are such that elected governments should be able to exercise more direct control over them.

One final question that has been raised about Section 9 is how often the Government will exercise its power of direction. In my view it would be quite inappropriate to use it more than infrequently; and even then, it will have to be done in a carefully circumscribed and open and public fashion. In this regard, I think that our experience with Section 23 of the present Broadcasting Act is indicative of how extensively the Government will intervene in the activities of the CRTC. Section 23 empowers the Government to set aside or refer back CRTC decisions. Since the proclamation of the Act more than eight years ago, the Government has received a large number of requests to use these powers. To date, we have only used them once, and this is the general

course we will follow in the future. Let me make it perfectly clear that the Government has absolutely no intention of depriving the CRTC of its freedom or independence.

The question remains, however, as to what these changes in the machinery of government will mean for the system as a whole. As far as the provinces are concerned, the changes should permit the two levels of government to establish equitable agreements in such areas as cable, educational programming, the safeguarding of regional and local culture, pay-TV, and so on. At the same time, as far as I was able to determine at the last meeting of Communications Ministers in Edmonton, provincial governments have not shown an interest in a more substantial entry into, or authority over, the field of broadcasting. At all events, governments will want to assess the extent of delegation required in the interests of the country as a whole both at the provincial and the national level. I hope, therefore, that given the provisions of the new legislation we will be able to establish appropriate roles for the federal and provincial governments; and, in so doing, resolve many of the problems that confront us. More broadly, the powers provided in sections 6 and 9 should make it possible to strengthen the regional bases of Canadian culture and still maintain the integrity of the system as a whole.

In the case of Quebec, the new legislation should allow us to come to an arrangement that will permit the province to play a more active role in both the day to day and longer-term management of tele-

communications. There is no particular reason why it should not be possible to do this in such a way that Quebec's legitimate aspirations are met and so that she can obtain the safeguards that are necessary to preserve her culture. But I should also point out that if the Quebec Government shows no interest in discussing the matter, then nothing in Bill C-43 will be able to help.

We have covered extensive ground in this speech, but the complexity of the issues seemed sufficiently important to spend some time on them. Let me conclude by observing that the real importance of Bill C-43 lies not so much in the details of its various sections and sub-sections, but in the opportunity it offers us to reconsider the structure of communications in this country. It seems to me that we are facing a particularly difficult and challenging time; and that if we are to emerge from the present uncertainties with productive solutions, we will have to work together to make the necessary changes. In this sense, Bill C-43 provides the mechanisms that will allow us to change; and, in the process, to create a telecommunications system that is more responsive to the needs of all Canadians.

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PROBLEMS AND PROSPECTS FOR
THE GENERAL RADIO SERVICE (CB) BAND IN CANADA

Notes for an address by Ross Milne, M.P.,
Parliamentary Secretary to the Honourable Jeanne Sauv ,
Minister of Communications,

at a symposium on the General Radio Service,
York University campus, Toronto,

June 17-18, 1977



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Mr. Chairman, members and officers of General Radio Service clubs and associations, individual CBers and our guests from the fields of business, industry, government, the university community, and journalism....

I know that the Minister of Communications, Madame Jeanne Sauv  , would have liked to be here tonight, but unfortunately she isn't able to attend. In her absence, I welcome you and thank you for coming out to participate in this meeting. This is one of a series of five, regional symposia on the GRS which the department is sponsoring in hopes of initiating a process of creative dialogue with you. This dialogue should better enable it to bring about needed improvements for the band, in areas such as licensing, user and public education and enforcement.

What I hope we can have here this weekend, at the geographical centre of CB action in Canada, is a completely frank airing of opinions and viewpoints on the problems and prospects of this phenomenal means of communication.

We all know -- most of us here are directly involved or affected -- about the unprecedented upsurge in the popularity of CB communication. It's been a growth so explosive and so complex in its potential implications that it still seems to have many an observer scratching his head, trying to come up with a theory to explain it. While the socio-psychological meaning of the CB boom may be hazy, something about which there is no doubt is the spate of problems this sudden growth has imposed: Problems for you as users; for the D.O.C. as regulators... problems of electromagnetic compatibility and interference for manufacturers and users of all kinds of home entertainment electronics, from TV sets to organs and tape recorders. Stories such as that of the toaster or denture that chattered "10-4" at the startled housewife are legion!

But let's put things in their proper perspective at the outset. The General Radio Service, as you know, occupies but a fraction of the full electromagnetic spectrum allocated for radio communications purposes in Canada. The spectrum is an important and limited natural resource, which belongs to us all. As with most resources, it must be wisely managed in the best interests of all citizens. It is getting more scarce, as demands on it multiply.

The responsibility for spectrum management in Canada falls, by act of Parliament, on the Department of Communications. It has to tackle the problems posed by the CB explosion, not just in the interests of CBers -- but all users of the spectrum, including growing numbers of broadcast viewers and listeners who are being affected by various forms of CB-related interference.

While the growth of the GRS band has imposed severe strains on the department's limited manpower and budget resources, it has moved on a number of fronts to meet the challenges. And it has been giving the question of what to do a lot of study and thought. Now is the time to involve you in that process.

In a few minutes, I'm going to outline some of the things D.O.C. proposes to do, or is doing now. I hope we can get your honest reaction and suggestions for improvements, so that the department can quickly push ahead with the task of making the General Radio Service a more effective, pleasant communications tool for the half million Canadians now licensed to use it.

But let's now review the development of the band and take a closer look at a few specific problems, from the department's point of view. Most of these problems are fairly well-known and understood; but others are certainly not properly appreciated by many people, who are nonetheless entering the debate with vigorous suggestions, ranging from "de-regulate the band entirely," to "just ban it altogether."

The United States' Class D Citizens' Radio Service, which parallels ours', was introduced in 1958. There was no significant demand for such a service here until 1962, when our GRS was born, to provide private citizens with a demonstrated need for personal or business communications, with a simple, short-range and low-cost means of meeting that need.

In the first year, some 13,500 licences were issued. During the next decade, the number of licences in force grew at an average rate of around five or six thousand per year: In 1973, we had 67,000; all of a sudden, by 1974: 113,000. Then the growth curve really took off. By this past March, the figure had leapt to 440,000 --- which represented a 130 per cent increase in licences during the 12-month period which ended March 31st. The department can foresee 1.8 million licences by 1980.

The most obvious problem associated with all of this, of course, is sheer overcrowding and channel congestion.

Today, D.O.C. is handling licence applications at the sustained rate of 20 to 30 thousand per month. The number of licensed CBers in Canada exceeds all other types and categories of radio users combined: Almost six out of every 10 Canadian radio station licences today are held by GRS operators.

The inexpensive, simple-to-install \$100 transceiver has become the hottest selling item in the consumer electronics marketplace since stereo records displaced their monaural predecessors. They're sold by everyone from the corner cigar store to the nation's largest retailers.

And given their relatively low cost, aggressive marketing and the general public's unabated love affair and fascination with CB, there is every reason to expect a continuation of the big boom for the foreseeable future. In fact, in the United States, where they are now over the 10 million licence mark, it's being said that within a decade half of all homes will be equipped with some form of CB.

Although we're a long way from that degree of saturation, problems abound.

Staff of most of D.O.C.'s 50 district offices coast-to-coast are run off their feet, often working through lunch hours, with temporary office help or on lengthy overtime, trying to keep pace with the volume of licence applications. The Toronto office, as an example, handled no less than 1,607 applications in just one day during last Christmas season.

The department is constantly working on a backlog of complaints from TV viewers, stereo and electronic organ buffs, operators of PA systems and so on to the effect that "that blankety-blank CBer next door" is, in some way, an unwelcome intruder. Though D.O.C. personnel have to look after all the other categories of radio services -- broadcasting, land mobile, amateur, paging, common carrier, police, fire and other emergency services are but a few examples of some of the more important ones --- by far the biggest volume of their workload in many a major office, such as "Toronto district," involves investigation of such difficulties.

While complaints from the non CB-using general public constitute up to 70 per cent of all calls made, complaints by CBers against other CBers are rising, and reflect increasingly serious problems: One of the worst concerns the inconsiderate minority of selfish and immature people who use external linear power amplifiers to boost the legal, 4-watt output of their stations to as much as 1,000 watts or more. If such people understood the potential for damage in the spectrum they can cause, I think many of them might think twice.

For example, where only a single neighbour might be involved in an interference complaint involving a legally-powered, properly installed station, an entire apartment complex or residential block can have its television reception affected by the bad apple with the "boots." Other CBers on the same and adjacent channels in the district or neighbourhood are also affected. Perhaps an emergency call will be blotted out.

What all must realize about the use of amplifiers is that the power limit of four watts for the CB band was not arbitrarily set by some civil servant out

to limit everyone's fun. It was arrived at with definite design and other factors in mind, including the relationships between CB equipment and that of other radio services. The use of the linear changes the whole game. The Department is prepared to take stern measures to get these rotten apples out of the barrel, because some people will only respond to the threat of equipment confiscation, a fine or licence suspension. D.O.C. has some new medicine in store for them.

Other problems and abuses include unlicensed operation, improper identification, failure to identify at all, obscenity, and jamming or monopolizing of channels. And many people don't seem too interested in learning and applying proper radio communications procedures.

We hear many cries today to lower the boom -- especially on some of the more serious and deliberate of these abuses. These requests are completely justified in a great many cases. D.O.C. is certainly prepared to look at greater use of the licence suspension and prosecution options --- particularly in flagrant or repeated cases where the offender has been given his chance to smarten up. I'll be giving you details of some proposed new regulations.

But I want to stress my personal conviction that most people are basically law-abiding and co-operative by nature. They will respond positively if taught the regulations and given the story behind why they are sensible, justified and reasonable.

The department sees this as a tremendous public education challenge -- a challenge it is now planning to meet --- I hope, with your help.

People, for the most part, simply stray into violations of the regulations through ignorance. If we don't reach them, preferably before they go on the air, these minor irritations develop into bad habits and seeds of discontent in the band are sown.

I would ask club and association executives here to consider the question: "What are we doing to bring about better operating standards and practices and to promote knowledge of and respect for the regulations --- not just for our own members, but for the public at large -- present and prospective new CBers?"

If you want to help DOC "clean up the band," how about getting out with a little display to the local shopping centre, or sending speakers to schools and church groups. Meet the public where they are.

Instead of jumping on awkward newcomers with both feet, let's take the time to get them off to the side and patiently explain the regulation concerned and the reason for it. Let's reach as many people as we can with the message of their responsibility to other "drivers" on the electromagnetic "highway."

The GRS airways, you know, are indeed very much like a highway. They're public property. They get you from one place to another. They have to be shared. They only work well when the rules of the road are respected. There

are "police," but they can't be behind every mile marker -- they've got to reserve their efforts for the worst-case offenders and rely on peoples' basic common sense and pride in driving skills to get them safely to their destinations, while respecting the rights of other "drivers."

The use of both electromagnetic and asphalt highways requires a licence --- to bring the user into contact with a system which aspires to make him aware of the rules of the road, identify him properly --- in his own and other users' interests -- and allow him to share in the costs of maintaining the shared facility.

On this point, one of the questions D.O.C. is most frequently asked is: "Why do we have to use our 'XM numbers?' "Why can't we just use handles?"

For the benefit of the uninitiated, let me cite an example of why --- besides the fact that it's required by both international and Canadian regulations: Suppose a new CBer had a rig that suddenly developed a flaw, causing it to put out a strong signal on many adjacent channels. Nearby, a search operation is underway. Just as the rescue co-ordinator is about to receive the details of the finding of a weak and shivering lost child, he is interrupted by: "Breaker; breaker, one-three. This is the big daddy."

Well, the critical question here is going to be "who is 'big daddy' and where is he?" If he was using his assigned call letters, a few quick phone calls could identify and reach him and get him off the air before he caused much further disruption of the operation.

On a more down to earth plane, if everyone in the neighbourhood uses his call sign, it can be a simple matter to eliminate your station from suspicion when a TV fan calls D.O.C. with another complaint. Identifying properly is just good common sense -- like buckling up before you turn the key! If you're involved in an interference complaint, it's in your own interests to facilitate your early identification, to minimize your neighbour's hostility -- particularly since the interference problem likely won't be your fault!

So much for the major problems ---- it's suggestions and solutions we're looking for here this weekend.

First of all, the department increased the number of channels on the GRS band from 22 to 40, effective April 1st. Obviously, as more and more new 40-channel sets come into use, they'll relieve congestion ---- particularly in urban areas like this one, which happens to have the largest concentration of CB users in Canada.

But it would be naive to think these additional 18 channels will do the trick for ever. Obviously, given the scale of use and continued growth, ways

will have to be found to make better use of available spectrum or find new bands to accomodate future growth. It may, for example, become desireable to phase out conventional AM, or double sideband, transmission in today's expanded band, in favor of an all single sideband service that would effectively double the channels from 40 to 80. Of course, if that was decided upon, it would only be after consultation with you the users and, as always when such measures become necessary, a reasonable period would be allowed for AM-only equipment to become obsolete. In addition, D.O.C. is looking at the future options available for the possible opening up of new bands in the VHF or UHF spectrum.

This can't be done at the snap of the fingers --- there are already other services filling or assigned to that spectrum and the full impact of all the social, economic and other factors involved in a re-assignment has to be very carefully assessed.

Coupled to the recent band expansion, the department introduced tighter specifications for CB equipment -- aimed at minimizing its potential for causing interference. And still tighter standards are ahead in the future.

As I said earlier, by far the biggest volume of complaints D.O.C. enforcement people in the field have to deal with concern GRS equipment -- legally powered and usually more or less properly installed --- getting into someone's TV, hi-fi equipment, tape recorder, electronic organ or similar audio equipment..

In most cases, the CBer and his complaining neighbour are situated within

about 250 feet of each other. Beyond that distance, unless an amplifier is involved, the complaint rate falls off sharply.

A check of the CB station usually reveals that type-approved equipment is being used without any illegal amplification. However, deficiencies in installation are often contributing or causative factors in interference complaints. For instance, there may be no ground wire from the chassis of the CB set to a metal water pipe or similar good ground. Antenna cable connections may be loose or poorly made. There are a number of other installation problems often noted. D.O.C. hopes to place greater emphasis on education of the GRS user to go beyond simply buying type-approved equipment, getting a licence and observing the operating regulations. It wants him to follow a code of proper installation, to even further minimize his chances of being at fault in an interference case. A draft code is now being prepared by the department.

But it's not easy to try and tell an electronically unsophisticated TV or stereo fan that HIS equipment may be at fault: "It can't be! I paid \$900 for it. "The magazines said it was great, the dealer said it was his best, and it only acts up when that guy comes on the air," he'll say.

And so, the department is working on more adequately defining the electromagnetic environment in which all electronic equipment sold for use in Canada should be able to operate without undue radio interference.

And the department is doing all it can to persuade manufacturers of TV sets and other home entertainment electronics marketed here to voluntarily incorporate simple, well-known and effective design improvements in their products. Let's be blunt about it: Most TV sets just aren't adequately designed or equipped to operate in the kind of radio environment the CB explosion has brought to most suburban neighbourhoods. But to be fair, of course, who could have foreseen this big boom when the majority of those sets were on the drawing boards?

Nonetheless, we have to face the situation as we find it today. It certainly isn't going to go away. So, while D.O.C. asks you to pay the modest costs of improving the design of new CB sets, I'm happy to report there are encouraging signs the manufacturers and importers of home entertainment equipment are beginning to assume their share of the responsibility too. To underline the importance of this, one might point out that the F.C.C., which has a few more years of experience with 27 megahertz CB than we in Canada, has found in past years that 90 per cent of all television-interference problems can be cured only at the TV receiver.

Manufacturers, distributors and retailers must also take steps to improve a generally inadequate customer service performance when it comes to explaining CB interference to their baffled customers at the consumer and retail levels, and helping them remedy the problem. The fellow who spends \$2,000 on a new electronic organ has a right, it seems to me, to expect a little dealer help when it starts sounding more like a radio than a musical instrument!

The Department of Communications is becoming increasingly aware of the need to educate the general public in the basic causes of interference they may encounter; to explain the rights of all involved, suggest remedies and tell the

consumer where the responsibilities lie. D.O.C. is frequently put in the unhappy position of being expected to shut down a CB or amateur station, because the owner of an electronic organ or some similar piece of audio gear is too confused about the facts or perhaps too stubborn to proceed with the simple and inexpensive steps necessary to render his equipment virtually immune from interference. He's usually not too happy when a radio inspector tells him the CBer has a right to operate and the department doesn't have authority over audio products.

The department has been conducting a wide-ranging review of its operating, licensing and enforcement procedures as they relate to GRS. This internal review, which has included examination of some provoking and sometimes controversial concepts and ideas, has involved senior personnel from across the country. They have been considering such questions as whether it might be appropriate to delegate to retailers the power to issue licences, or to solve the administrative burden of CB licensing by computerizing it. A second major area of discussion has been the whole question of whether it is really realistic to hope to protect GRS users against the poor behaviour of other users. Should the rules be relaxed and users told that in the light of current realities, traditional protection is no longer available? I'd now like to tell you about some of the specific conclusions, plans and proposals that have emerged from this process.

First of all, and particularly in this time of government hiring and spending restraint, D.O.C. has to find ways of freeing existing manpower

resources to spend more time on interference investigation and related activities. And so, it proposes to place most new CB licensing on a "mail-in-of-application" basis, and test the idea of eventually putting it all on computer.

At the point of sale, most purchasers of new sets will soon be handed a revised and expanded edition of the red brochure: "What You Should Know about General Radio Service." It will contain a licence application form, which the buyer will then mail in for processing, instead of lining up at a district office. It will also have a tear-off form, upon which the new CBer can fill in his initials, followed by his postal code. When prefixed by the letters: "XM," this will be his temporary call-sign. This form, which he will keep, will authorize him to commence using the radio immediately, for up to 60 days, or until the regular licence arrives in the mail. The department hopes to test the idea of a national, computerized CB licensing system with a pilot project in British Columbia later this year.

In a related area, talks have been held with the F.C.C. on the future possibility of doing away with the need for special operating permits when CBers from one country cross the border into the other. We would propose to simply recognize one another's regular licences.

The department is also working on a revision of the popular GRS handbook. For the first time, it will include the actual text of the major regulations. All new licencees will get this book at no additional charge.

The D.O.C. information branch is putting the finishing touches on a many-sided public awareness program, designed to stress the need for licensing and promote knowledge of and respect for the regulations and good operating practices.

A highlight of it will be a 13-and-a-half-minute color film, which is already in production. It will be ready in the Fall. The department is working closely with clubs and associations to make sure the film portrays what good GRS can be, as accurately as possible. The audience for this film could easily number several millions --- given public interest in CB and the appetite of TV stations and cable systems for good, quality films on topical subjects. The film will be available for all kinds of screenings and I hope GRS clubs will be able to help promote it.

D.O.C. is also preparing educational columns for weekly and other newspapers and information officers and enforcement people will soon launch a blitz of radio and TV hot-line shows and other talk programs, trying to spread as much knowledge and understanding of CB as possible to as many people as they can reach.

DOC exhibits will continue to appear at a variety of local events and locations, as the department steps up its program of taking graphic and audio-visual educational techniques straight to the public -- be it at a major "coffee break" or a shopping mall.

I am hopeful these efforts will produce tangible results.

Of course, that troublesome minority of deliberate and habitual offenders won't be too impressed by them. So the department is proposing to amend the regulations on at least two fronts --- the sale and use of linear amplifiers, and inspection of stations ---- to provide more effective tools for getting at these irresponsible operators.

D.O.C. plans to specifically prohibit use of external linear amplifiers by GRS stations and to stipulate that no GRS licensee may even have in his possession any device capable of boosting legal output. The present regulations simply specify a power limit for the transceiver itself. The department would also require sellers to provide details of each linear amplifier sale -- including a signed declaration from the purchaser, to the effect that he or she understands use of the device on the CB band could bring a fine of \$1,000 or six months in jail.

Inspections of stations have been a problem because the existing regulations simply say that an inspector "may" inspect. A person wishing to hide his linear could simply say: "Come around at 10 o'clock Sunday night!" It is proposed to give inspectors the right to check any station at any reasonable time; and to make it a condition of the station licence that such inspection be permitted. Failure to do so would expose the offender to prosecution or revocation of the licence.

In the event that these measures should fail to lick the problem to everyone's satisfaction, I would point out before leaving the topic of regulations that the new communications legislation -- Bill C-43, now before Parliament -- would make it possible for the Minister of Communications to simply ban the importation or sale of linear amplifiers. Exceptions could of course be granted to those who could produce valid amateur station licences, or had some other legitimate right to own or use them.

I hope such strong medicine doesn't ever become necessary.

Certainly governments must act when problems such as those facing the GRS band today arise.

But, still, the best results are often obtained when concerned citizens themselves band together to help government bring about improvements in a given area of concern. I can think of no better example of this kind of co-operation than the situation which faced provincial authorities here in Ontario with the snowmobile explosion a few years ago. Farmers and others were up in arms over such things as cutting of fences and trespassing, harassment of wildlife, damage to trees and so on.

While legislated measures to bring snowmobilers into line were helpful, the government found that one of its most effective policy initiatives was the active encouragement of clubs as means of instilling self-discipline and sportsmanlike pride in proper operation in the minds of individual snowmobile

enthusiasts.

Without in any way detracting from what GRS clubs are already doing, I think there is a lesson in this for all of us here tonight.

We have a process under way that should enable D.O.C. to work with you to plan for the orderly growth and improvement of the General Radio Service Band in Canada through consultation, education and counselling. Prosecutions and licence revocations will certainly have to be used against certain individuals. But on the whole, I think the plans I've outlined should go a long way towards solving many of the concerns we have brought with us to this symposium.

Now let's get down to business and discuss them.

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NOTES FOR
AN ADDRESS BY
MINISTER OF COMMUNICATIONS
JEANNE SAUVE
TO THE
ANNUAL MEETING
OF THE
CANADIAN TELECOMMUNICATIONS CARRIERS ASSOCIATION
EDMONTON, ALBERTA
JUNE 20, 1977



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The question of the appropriate relationship between government and industry is a topic of perennial interest and concern. It occupies a special place in political thought - in part because of the subtlety of the questions at issue; but more importantly, because the problems involved go to the very heart of social and economic policy.

In the case of telecommunications, the size and importance of your industry raise this issue with a particular urgency and insistence. At the present time, you have over 18 billion dollars invested in plant and equipment; you employ approximately 100,000 people; and you are expanding at the rate of 2 billion dollars a year. This means that you are one of the nation's largest businesses and one of its foremost employers. For this reason alone, the federal government - as well as the provinces - has a natural and abiding interest in your activities, since the decisions you make have major consequences for the social and economic priorities of the country.

But apart from sheer size, there are more compelling reasons for the government to be concerned about your policies and performance. Under conditions of advanced industrialization, telecommunications can no longer be considered as simply one among a number of important industrial sectors; rather it must be seen as the nervous system of the entire economic order. Unless that system works extremely well, all the other parts will have difficulties coordinating their activities, with the resultant problems of duplication, wastage and inefficiency. In this sense, the telecommunications industry is a crucial component of the economic infrastructure: if it fails to perform

adequately, all the rest of the economy suffers.

Moreover, the centrality of your role in society is not likely to diminish. To the contrary, your operations will certainly become more and more important as we move toward a post-industrial economy. If current trends continue, we will shortly find ourselves living in a country the bulk of whose resources will be devoted to the production and dissemination of information. As such, our wealth and prosperity will depend-even more so than today-on the capacity and efficiency of our telecommunications system.

Your impact on the economy is not, however, restricted to the transmission of data and information. As well, your activities have major implications for the development of the transportation industry; and, as a consequence, for the present energy crisis. Recently, a number of commentators have pointed out that a variety of substitution effects are beginning to be felt. Where previously we depended on the mails and the different transportation systems, we are now using satellites, telex and video-conferencing. The effect of this is that we are moving away from the physical transportation of materials and people to the electronic movement of data and information. In the process, we are also making savings in the utilization of fossil fuels.

Beyond the economic questions that are at issue, the telecommunications system has had an overwhelming effect on the patterns and conditions of social life. The telephone expands the communities in which we live. At the same time, it delimits their boundaries to the toll-free areas, and in this sense,

circumscribes the nature of the modern community through the pricing systems that is employed. Quite clearly, the manner in which tolls are established has important implications for the way in which we define ourselves as a society.

Taken as a whole, the social and economic influence of the telecommunications industry is enormous. It has a substantial impact on the development of the economy and on the character of our social life. Because of this, the government must have the authority to ensure that the decisions of the major carriers are taken in conformity with the broadest goals of national policy. Unless this authority exists, we could find ourselves in the position of being unable to effect many of the most crucial decisions on the future of the nation. Put simply, your industry is now so large and so important that the government has no alternative but to pay it the most serious attention.

But even if your impact were much more restricted, the government would still have a major interest in how your industry discharges its responsibilities. Here, of course, I am referring to the fact that you are organized as a natural monopoly; and that, as a monopoly, you are no longer subject to the discipline of a competitive market. This means that in the absence of the price mechanism, the government has an obligation to protect consumers through the regulation of tolls and rates.

None of this is to say, however, that the government wants to be involved in the management of your industry. To the contrary. Not only is Government unsuited to that sort of function, it would also constitute a serious waste of

resources and an infringement on the prerogatives of your management.

I would suggest that there are three major principles which should govern the relationship between the telecommunications industry and the Government. First, the Government must have the power to influence those decisions of the carriers that have major implications for national policy. Second, the government must be able to control the prices that the industry charges for its services. Third, the government must not become involved in the decisions of management.

On this basis, I would like to pass on to an explanation of the new legislation we have placed before the House, and show how the principles I have just enumerated are incorporated in the various sections and sub-sections. Before I do, however, let me pause very briefly to describe something of the history and structure of Bill C-43, or as it is sometimes called, "The Phase-II legislation".

As you will recall, telecommunications is at the moment regulated under a number of different Acts. These include the Telegraphs Act, the Railway Act and The National Transportation Act. Two of these Acts are very old, and none of them contains a clear statement of telecommunications policy. For this and other reasons, including the increasing interrelationship between broadcasting and telecommunications, the Government decided both to consolidate the legislation and bring it into conformity with the realities of the 1970's. To this end, we published two background papers - the so-called Green and Grey

Papers - and engaged in extensive consultations with both the provinces and the industry.

As a result of these discussions, we drafted Bill C-43, an Act respecting Telecommunications in Canada. From your point of view, three features of the Bill are of particular interest and importance. First, the Bill opens with a statement of telecommunications policy. This policy indicates what the government expects from the carriers, and provides the basis for regulation by the CRTC. Second, the Bill empowers the Governor in Council to give broad policy directions to the CRTC. Third, the Bill describes the powers of the CRTC in relation to the industry. Taken together, these different parts of the Bill serve to clarify the relationship between the principle actors: the Government, the Regulatory Commission and the Industry.

Section 3 of the Bill describes the main policy objectives in the area of telecommunications. This feature of the Bill is quite new, since in the past there was no such statement in any of the previous legislation. In fact, the only earlier reference to telecommunications was found in the National Transportation Act; and even here, it did not mention telecommunications as such. All it said was that the Canadian Transport Commission could - and I quote - 'establish such other committees as it deemed appropriate'. In fact, this rather insignificant phrase, together with the just and reasonable rates clause of Railway Act, have become the basis for the regulation of the entire industry. I think I can say without contradiction that it was not a very persuasive or well-reasoned framework within which to establish a major set of

regulatory policies.

At any event, Bill C-43 describes a number of broad policy goals. Of these, three are central to an appreciation of the rest of the legislation. These are embodied in Sections 3(a), (c) and (n). With your permission, I would like to quote them directly. Section 3(a) states that:

...efficient telecommunication systems are essential to the sovereignty and integrity of Canada, and telecommunication services and production resources should be developed and administered so as to safeguard, and strengthen the cultural, political, social and economic fabric of Canada.

Section 3(c) indicates that:

...all Canadians are entitled, subject to technological and economic limitations, to reliable telecommunication service making the best use of all available modes, resources and facilities, taking into account regional and provincial needs and priorities.

Section 3(n) makes it clear that:

...the rates charged by telecommunication carriers should be just and reasonable and without undue discrimination against any person or group.

In my view, these three policy objectives provide a fairly clear idea of what the government expects from the industry.

As far as the relationship between the Government and the Regulatory Commission goes, there are two major topics that require specific attention. The first of these is concerned with the power of direction, which is embodied in Section 9 of the legislation. In essence, this section permits the Governor

in Council to issue directives to the CRTC, concerning the implementation of the telecommunications policy described in Section 3. The purpose of this section is quite simply to guarantee that the government retains the authority to make policy; and further, to ensure that a non-elected regulatory body does not exercise powers legitimately belonging to the elected representatives. It is my view - and that of the government - that such an arrangement is essential to the preservation of the fundamental principles of a democratic state. In an area as crucial as telecommunications, it must be governments that take the major policy decisions, and that are in turn held accountable by the electors.

At the same time, it would not be appropriate for the government to interfere in those matters which must be seen as the exclusive preserve of the CRTC. To this end, the new legislation specifically forbids the Governor in Council from interfering with decisions of the Commission in regard to the setting of prices for the various goods and services offered by the carriers. The Bill is very clear on this point, stating quite categorically that, and here I quote, "Nothing in this Act authorize the Governor in Council to issue directions to the Commission with respect to the charges to be levied for particular telecommunication services or facilities".

On this point, it should be noted that the Government retains its power to set aside or refer back the decisions of the CRTC. The rationale for this is the same as that governing Section 9: the electors must be able to hold the government responsible for decisions made in their names. I would like to point out, however that although similar powers exist under the National

Transportation Act and its predecessor, they have only been used twice in reference to your industry: once in 1959 to vary a formula for calculating the rate of depreciation; and once in 1973 in the Bell-B decision. I think you will agree that the Government has used these powers sparingly in the past, and that there is no reason to suppose it will change much in the future.

Let me pass on now to those sections of C-43 that are probably of the most compelling interest to you. In particular, I want to discuss the provisions of Part V of the Bill, which set out the powers of the Commission to regulate the industry. More specifically, I want to address myself to those sections that are concerned with the setting of rates; the approval of capital expenditures; the control of incorporations, acquisitions and disposals; the designation of specific forms and procedures; and the powers to compel action.

Under Section 57, the CRTC has the responsibility to approve or reject any tariff proposed by the carriers. This power is the same as that which the CTC exercised under the old National Transportation Act. It derives, of course, from the fact of natural monopoly, and the requirement that the Commission set rates in such a way that they are 'just and reasonable'.

A new power is established under Section 56, which permits the CRTC, with the concurrence of the Governor in Council, to prohibit carriers from constructing or extending any new service or facility. In large measure, the rationale behind this section is that the capital resources of the industry may reasonably be regarded as a scarce national resource, which must be used in the

public interest. As well, it is designed to ensure that facilities are not unnecessarily duplicated.

It should be noted, however, that the powers established under Section 56 of the Act are really transitional powers that will be rendered unnecessary once Section 60 can be brought into effect. Section 60 requires that all telecommunications carriers supply the CRTC with five year rolling forecasts, describing their investment, operation and construction plans. Once these forecasts are available, both the CRTC and the industry will be able to negotiate the capital works that will be acceptable, and make plans accordingly. Under these circumstances, the importance of Section 56 will be vitiated, and it will remain purely a reserve power.

Another new requirement is embedded in Section 59, which provides the CRTC with the authority to control incorporations, dispositions and acquisitions. There are two basic reasons for writing this Section into the new legislation. First, it is important to ensure that any major changes in the organizational structure of the industry are such as to promote the national interest. Second, and perhaps more importantly, without the existence of this power the Commission could not regulate the flow of revenues from the regulated to the non-regulated part of the carrier's activities. After all, it would be a relatively straightforward matter to spin off other companies that fell outside the purview of the legislation, and then use those companies to direct the flow of revenues to operations in which the rate of return on carrier investment greatly exceeds the permitted return in the regulated sector. More generally, the purpose behind this section is to ensure that the CRTC has the powers necessary to regulate all those parts of the industry which may be regarded as integral to the provision of carrier services.

Another set of powers that are relatively new are those found in Section 61, which allows the CRTC to prescribe accounting methods, the nature of forms for the annual forecasts, formulae for identifying costs, and so on. In reality, of course, these are clerical powers, designed to guarantee that everyone is working from the same assumptions and using the same bookkeeping procedures. Without them, however, it would be difficult - if not impossible - to produce true comparisons or establish equitable rates.

Finally, we come to Section 55, which some commentators have suggested allows the CRTC to tell the carriers to do practically anything. I would like to draw your attention particularly to 55(c) which provides that the Commission, with the approval of the Governor in Council, can direct a carrier to extend services. In regard to this power, I would like to quote what I said to you last year at St. Andrew's-By-the-Sea.

...In the past, common carriers have used the principle of cross-subsidization to extend service to the low revenue areas of their service areas. There has to be a limit to cross-subsidization, though, and in some instances these limits may have been reached. It is in these instances, I think, that government has a responsibility to assist the carriers to meet their service responsibilities.

As well, I think it is important to bear in mind the wording of Section 3(c), which affirms that all Canadians are entitled to service, subject to technological and economic limitations.

I am sorry that I have made such a dry and legalistic speech, but the new legislation and the principles surrounding it seem to me to be worth exploring in some detail. In closing, however, I would like to re-emphasize what I said earlier. The government is not interested in erecting a parallel management or usurping the legitimate prerogatives of the shareholders. Rather, what the new legislation seeks to ensure is that the CRTC has sufficient powers to be able to influence those decisions of the carriers that have a major impact on national policy objectives. Furthermore, it strives to make quite clear the differing responsibilities of the various parties. In this way, I hope that we can begin a new era of mutual understanding, based on a more predictable environment, that will work to the best interests of all concerned.

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NOTES FOR AN
ADDRESS TO THE
ARTS AND MEDIA III
CONFERENCE ON
BROADCASTING AND
RECORDING THE PERFORMING ARTS,
BY MINISTER OF COMMUNICATIONS
MME JEANNE SAUVE,
NATIONAL ARTS CENTRE,
JULY 7, 1977



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Mr. Chairman, I am very pleased to have been invited to address the third Arts and Media Conference. If it is not premature of me to say so this early in the proceedings, I am sure that this year's conference will be as successful and as stimulating as its two predecessors.

When I received the Conference agenda a number of months ago, I had the feeling - perhaps I should say premonition - that the theme of broadcasting and the arts would be singularly appropriate to the times. For those of you who are from Canada or very familiar with Canadian cultural affairs, I am sure you will agree that recent events have confirmed the prescience of the conference organizers. For those of you who are not so intimately acquainted with the Canadian scene, I should explain that over the last few months there has been considerable public discussion about the state of our broadcasting system.

I think there is a note of irony to be found in the fact that this discussion coincides with a silver jubilee, which by rights we should be celebrating with a good deal more enthusiasm than we have so far. Before I am misunderstood, let me hasten to add that I am not referring to the jubilee of Queen Elizabeth; rather, I am referring to the jubilee of Canadian television, which began regular service in 1952.

It seems to me that over the last twenty-five years we have accomplished a great deal. In regard to the CBC, for example, we have

developed a national broadcasting service which is the envy of many other countries. Not only does it provide programming from coast to coast in two languages, but it does so to a very high standard of excellence. Its record in public affairs, drama, music and - dare I say it - regional programming speaks for itself. In the words of Clive Barnes of the New York Times, it is quite simply the best television network in North America.

At the same time, we have also encouraged the growth of a dynamic and vigorous private sector. In English Canada, there are private networks competing with the CBC, as well as a host of independent stations. Similarly in French Canada, private broadcasters are providing an important alternative to the programs offered by Radio-Canada. Indeed, in many parts of the country, Canadians have access to more domestic television than do their counterparts in the United States, Great Britain or France.

But in addition to all this, we have created the most sophisticated technical infrastructure in the world. Canada now has the highest rate of cable penetration of any other country. As well, we have developed advanced satellite and micro-wave transmission facilities that are generally regarded as among the best available. Put bluntly, our accomplishments in the area of communications technology are second to none.

And yet, despite all of these accomplishments, there exists considerable uncertainty about the value of what we have built. Throughout the country, serious reservations are being expressed concerning both

the structure and functions of the broadcasting system. A number of critics have argued that all our achievements notwithstanding the system has failed in a number of very important and profound respects.

For my part, I think there are two principle areas to which we should direct our attention. First, I am troubled by the fact that the broadcasting system does not appear to have helped the various regions to understand one another very well. This is, of course, particularly true in regard to the split between French and English Canada, but it is also true as far as the various regions of English Canada are concerned. So, for example, I do not think that television has done as good a job as it should in interpreting the aspirations of Quebec to the citizens of Ontario, or for that matter, the culture of the Maritimes to the people of Alberta. Instead of creating a system, which, like the railroads of the nineteenth century, would bind the country together, we seem to have produced one which exacerbates our separateness by the fact that it has, in effect, directed our attention towards the south. Very much like the railroad, the infrastructure alone will not solve the problem. Policies still have to be devised for the use of these systems that will further enhance our effort to build a united country.

This leads me to my second point. Like many others, I am worried by the overwhelming influence of American television. As Mr. Johnson, the president of the CBC, pointed out in his recent brief on the CBC, most Canadians spend more time watching American than Canadian programming. He noted - and here I would like to quote him - that

... 80 percent of all viewing by Torontonians is of American programs and only 20 percent of viewing is of Canadian programs - that's just exactly what the figures were in 1929 when Sir John Aird was so alarmed about the influence of US radio in Canada.

Quite clearly, these statistics and the viewing patterns they reveal, have far-reaching consequences for the development of Canadian identity.

To a certain extent, the influence of American television is simply part and parcel of our geography. But at the same time, it is important to remember that the development of technology has aggravated the problem. So, for example, the deployment of cable television systems has increased the proportion of the population that can receive American signals from 50 to 75%. This is not to say that cable is the sole source of our current difficulties; rather, it is simply to point out that the role of cable has not been an altogether positive one in our goals to promote Canadian culture. The attraction of U.S. programs is such, and the economics of programming them so attractive, that we have had to fight back with Canadian content rules in the broadcasting system.

In a similar vein, it is worth noting that satellites raise comparable problems. At the present time, there is a group in Cape Breton who want to build a ground station to pick up television programming emanating from Atlanta in the deep south of the United States. Similarly in the Yukon some are wanting to pick up a signal from an American

satellite to distribute in their region. This is now possible - technically. I think I could say without fear of contradiction that whatever benefits might accrue from such a procedure, they would not include any improvements to the Canadian broadcasting system.

The point I am trying to make here is that as far as cable and satellites are concerned, we have not integrated them properly into the system as a whole. Instead we have simply tacked them on to the existing structures and hoped for the best. Unfortunately, what has resulted has often been deleterious both in terms of its impact on the broadcasting system and the culture more generally.

The problems associated with new technology are not going to go away. To the contrary, they will doubtless get worse over the next few years, as we begin to introduce fibre optics and direct broadcast satellites. What we seem to be witnessing is a form of technological convergence, in which hardware developments are exerting a greater and greater influence on our cultural activities. In this sense, we are standing mid-way between two quite distinct systems: an old one based on over-the-air transmission, and a new one organized along quite different principles.

Recently, a number of commentators have issued a call for an inquiry into the broadcasting system. Among other things, they have pointed to problems associated with the financing of the industry, the role of the public sector, and the distribution of services, as well as

the cultural and technological issues to which I have alluded. In my view, the time is indeed ripe for such an inquiry, but if it is to take place, then it must focus on future developments rather than past errors.

In this regard, if we decide on an inquiry, I think we should orient our review in the same way as the British have done under Lord Annan, and concentrate on the future of broadcasting. This would doubtless require that we examine at least the following issues:

- the role of cable, closed circuit and fibre optic technology;
- the place of direct broadcast satellites;
- the status of public broadcasting; and
- the place of advertising and the private sector.

All of these questions should be addressed in the context of the ultimate objectives of the broadcasting system, which I believe are already well articulated both in the Broadcasting Act and the new legislation the Government has placed before the house.

There is, of course, a danger that the creation of such a review might lead to the adoption of a 'wait and see' attitude on the part of those who have day-to-day responsibility for the operation of the system. Sir Alan Herbert satirized - or, as some would have it - accurately characterized this temptation in the following lines, which were written in 1936:

"The necessity for action was clear to everyone,
But the view was very general that nothing could be done,
And the Government courageously decided that the Crown
Should appoint a score of gentlemen to track the trouble down-
Which always takes a long, long time."

I don't think that any of those who are on record as favouring an inquiry would suggest for a moment that the problems which bedevil the broadcasting system should be put aside - or swept under the rug, as less charitable commentators might say - while the review was in progress. There are certain issues - and here I have in mind relations with the provinces - which will not stay under the rug, no matter how hard anyone sweeps. In this sense, it is probably fair to say that even if the Government wanted to use the review to postpone action, such a plan would be doomed to failure from the outset.

If we lived in the best of all possible worlds, we would probably acknowledge the problems that currently confront the broadcasting system, appoint a distinguished group of experts to study them and then sit back to await the results. Unfortunately we do not live in such a world, and the world in which we live may not permit us the luxury of inaction. The pressure brought about by the possibility of new systems coming on stream is here. The discussions with the provinces and their input in the system would have to be conducted parallel to any review. In short, even if we appoint a commission, the pressure of events may force us to introduce new policies.

What all of this means is that there are compelling reasons for a review of the broadcasting system. Above all, however, we who spend a good deal of time discussing these questions must remember that the pre-eminent role of the broadcasting system is to serve the Canadian public. As yet, we have no firm indication of what the public wants by way of radio and television in the future. A lot of pressure groups and interested parties have expressed their views on many occasions. But I would like us to find a way of surveying the population at large on the subject of its interests so that we may accordingly orient future developments in telecommunications technology.

Let me conclude by saying that it is always easy to criticize and in Canada it seems to be a pastime which has been developed to the point of a fine art, but what the system requires now is constructive proposals for its future development. I hope that this conference will focus on positive suggestions - it is a harder task, but in the end much more satisfying and useful. Good luck.

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Parade
Dept. of Communications
[Statements + Speeches?]

SATELLITES ARE FOR PEOPLE

NOTES FOR AN ADDRESS
TO THE ROYAL SOCIETY OF CANADA
BY THE HONOURABLE JEANNE SAUVE
MINISTER OF COMMUNICATIONS
OTTAWA, ONTARIO
TUESDAY, NOVEMBER 29, 1977



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I can vividly recall the night, almost two years ago now, when Hermes was launched. All of us who were there, but especially those who had lived with the project for the previous four years, were struck by the immensity of the event. And I know I was not the only one with white knuckles as the countdown ended.

We had invited to the launch, the leaders of the experimental projects that would soon be taking place, through Hermes. Many of them attended, and it was interesting to see the difference in attitudes between the scientists and engineers who had created the satellite, and those who would be using it.

For the scientists and engineers, Hermes represents a masterpiece of modern technology -- the most powerful communications satellite in the world. But it was up to the experimenters to tame it, to work with it, and to learn how to put it to the service of people.

Now, with the lessons of many experiments behind us, Hermes has more than fulfilled its promise as a satellite for people.

We Canadians recognized early in the game that satellite communications offered the only practical way to extend communications services to our far-flung and scattered population. It was in 1968, that the Government published its White Paper on "A Domestic Satellite System for Canada". Now, nine years later, about 84 distant communities enjoy telephone, radio or television service, thanks to Telesat Canada's Anik-A series of satellites.

With the success of the Aniks, there are those who have asked why the development of a satellite such as Hermes has been considered necessary. The answer lies in the fact that the technology used and services provided by the Anik-A series of satellites extend basic communications services. But in the early

1970s, the Canadian government decided that new technology would be required in the future to make available the best possible communications services. Hermes is an example of such technological development.

One does not have to be an expert to appreciate the technological beauty of Hermes. The satellite is much more powerful and operates at a higher frequency than conventional satellites. Those two factors -- higher power and higher operating frequency -- mean that the earth stations can be made smaller and even portable.

Now, see the kind of services that suddenly become possible.

A small isolated hospital in the north can be linked by voice and television with a large southern university hospital, to provide extended medical services. This has already taken place, with dramatic results.

Students, hundreds of miles from the nearest university, can participate in long-distance courses as if they were there on campus - and already have done so.

Small communities, previously isolated from each other, can benefit from exchanging information and ideas. And this, too, has occurred thanks to the experimental program made possible through Hermes.

For those who tend to think of communications in terms of telephoning your Aunt Martha, listening to the six o'clock news, or watching King of Kensington, Hermes represents a whole new dimension in communications.

It has now been a year and a half since the experimental program began.

During this Symposium we will hear reports on Canadian and United States projects in the areas of health care delivery, education, community interaction and administration as well as technological explorations.

Many of the projects would not have been possible without the dedication and enthusiasm of those involved - both in the United States and in Canada. These are the true pioneers in this venture.

They made the projects possible initially by conceiving and planning the experiments and others readily participated in the testing of satellite services which were delivered to them or by them.

Team spirit and dedication describe well what made the projects work.

And although any new venture has its share of frustration, obstacles were not a deterrent.

There are many stories of:

- the coordinator who became known for his skills in rushing up two flights of stairs in 10 seconds to check the antenna and then back to the control room;
- the anesthetist who became a pro at wiping ice and snow off the antenna with an alcohol solution and a barn broom;
- the researcher who balanced on top of tables during a surgeon's congress in order to adjust the controls on ceiling mounted television sets;
- the experiment leader who re-wrote his request for funding for about the 100th time.

Despite these frustrations, people stuck with the project. The guiding principle behind the projects which inspired the participants is the conviction that the innovations will bring about an era in which satellite communications can help fulfill people's aspirations; to

upgrade one's education; to have immediate access to specialist medical care; or to discuss with government planners matters which are of concern at the community level.

The Hermes program is showing that satellite communications can be a factor in the social fabric of our country. Hermes has particularly demonstrated the role of participation in the building and reinforcement of this social fabric. It is a participatory project. In many instances, the satellite served as a catalyst -- as new approaches were tried, more would be discovered, as in a chain reaction.

People in education, health and broadcasting, in government, and professional associations have learned to apply satellite communications. The technology has been demystified. Far from being passive, participants used the interactive Hermes system to ask questions and to tell program planners when they liked a program or to complain when they wanted changes.

Consider some of the ways the satellite is being used in the field of community interaction and health care delivery.

People in Northern Alberta communities have weekly access to up-to-date announcements regarding employment opportunities in their areas. They can discuss with experts and among themselves plans for home improvement. When materials or equipments are not locally available, they can explore other solutions. For example, during a session on home insulation the instruction suggested direct materials should be stapled together. The communities came back with the question "would nails do?", since staples are hard to find.

In British Columbia retired people are engaged in developing programs relevant to their age group. Two communities in Quebec discussed via Hermes their community life, and things that concerned them. Youngsters got together to talk about hockey and adults discussed urban development. Other topics ranged from local handicrafts to favorite recipes.

A community in Northern Ontario did not have to evacuate prematurely when the nearby river flooded, because the reliable telecommunications link would have allowed a call for help when evacuation was really needed.

A young dentist could show via TV directly to his professor a disease which he had never before encountered.

A specialist hundreds of miles away could 'see' right into an operating room and watch various life supporting mechanisms while a baby was being delivered by caesarean operation, the first baby to be born with the help of a satellite.

During a 'television visit' to a Northern Ontario hospital, a specialist noticed that a former patient who had suffered a broken thigh was still walking with crutches. A check-up showed that it was necessary for her to undergo physiotherapy. As none was available locally, it was done by satellite under supervision from a university hospital.

The simulation of a medical emergency evacuation from a remote site to a hospital in Ontario has demonstrated how emergency and disaster relief efforts can be enhanced by satellite communications.

On occasion, hospitalized patients could visit, via satellite, with family and friends, much to their pleasure. An elderly native patient at an Ontario Hospital who did not speak English, was relieved when he talked via Hermes to friends at the base hospital. Finally, he had someone who could translate that he had run out of facial tissues.

Hermes facilitated public health programming in Newfoundland. In the course of a series on diabetics, a youngster in St. Anthony's revealed his reluctance to attend a trade college in St. John's because he was worried he would lose the personal support he had received from the health care workers in his community. Via Hermes he was reassured when he was introduced remotely to the people with whom he would deal in St. John's.

In the fields of education and research, Hermes has also shown its potential. Research managers in Ottawa had the unique opportunity at Carleton University to participate in a course given in California by one of the most eminent practitioners in the field, the head of the NASA-Ames Research Centre.

Biologists in Montreal, Quebec and Trois-Rivieres undertook a series of research discussions on viruses and bacteria which were displayed from an electronic microscope via the satellite to the three sites. Researchers acted as if they were in the same room.

Via Hermes, physicians and pharmacists at hospitals in Newfoundland and Labrador gave presentations and actively participated in two symposia which were held in St. John's.

The small, portable and easy to install earth stations used with Hermes, are providing a flexibility never before possible. In tests conducted by the Ontario Government and in Quebec, for example, it appears that satellite communications systems of the Hermes type could be useful in the control and management of emergencies such as forest fires or a plane crash. They could support a work crew or a research team while operating in a remote area. The possibilities are limitless.

These are just a small sample of what has already taken place through Hermes and how people have been affected. Many more exciting projects are underway or being planned.

Satellite technology not only benefits those in remote areas, although perhaps the benefits are more dramatic where satellite service replaces no service at all.

But consider the potential for us in the south, as well. One possibility that immediately comes to mind is that of providing live coverage of the House of Commons debates to Canadians outside of Ottawa. As you may know, since TV came to Parliament, Ottawa cablevision companies have been carrying the daily question period live. Many Canadians hope that live coverage could soon be extended across Canada.

There are many questions that would have to be resolved before this could happen. But satellites would almost certainly have to be involved in extending live Parliamentary coverage across the country.

Beyond the fact that Parliament via satellite would dramatically bring people closer to the democratic process, we also have to admit that the daily question period has become the hottest show in town.

Beyond Hermes

I believe all Canadians can be proud of the role our country has played and will continue to play in the development and application of new satellite communications technology. But we cannot rest on this success. We are already planning a follow-on series of programs, using Telesat Canada's soon-to-be-launched Anik B satellite. Beyond that, we will see much of the technology that has evolved from these experiments being brought into use in Telesat's ANIK C series of satellites. Hermes is entirely experimental. The programs on Anik B are being designed to explore how we can move from experiment to the provision of continuing service.

It is one thing to participate in the development of new communications technology. It is even more satisfying when the technology can be of direct benefit to all Canadians. But the full use of satellite communications involves more than technology; an institutional framework is also required. The institutional framework for satellite communications in Canada has been in the news lately, as a result of the Telesat Canada application for membership in the Trans-Canada Telephone System.

As you know, the Government considered that Telesat's membership in TCTS would have a number of positive results for the development, integration and use of satellite facilities in Canada. There are, of course, critics of the Canadian approach who favour the U.S. model. I must, however, emphasize that there are significant differences between the regulatory and telecommunications carrier environment of our two countries.

The Government of Canada has had to recognize these factors by adopting different institutional arrangements for satellite communications than those in the United States. It should be no surprise that such an important and expensive resource must be viewed as complementary to other systems of telecommunications in Canada.

The complementary role for Telesat was recognized in the early statements of the Minister of Communications who presented the Telesat Canada Act to Parliament in 1969. The statutory structure of the corporation provides for major equity interest by the existing telecommunications companies and for their membership on the Board of Directors. Obviously, this ownership structure would never have been implemented if free competition were envisaged. The membership of Telesat Canada on the Board of Management of the Trans-Canada Telephone System is a further evolution of this principle. I believe it will provide a positive, balancing viewpoint when TCTS matters impact on Telesat planning, and vice-versa.

Extensive utilization through integration with terrestrial facilities is a prerequisite to realizing the benefit of the lower channel cost of the new satellites for all users of the system. The members of TCTS represent 95 per cent of the industry which can provide that basic utilization of the satellites. If again I may draw a comparison, a number of the providers of satellite service in the United States are themselves the operators of major telecommunications systems with which they are integrating their satellite facilities. In this respect their satellites are not competitors, but are complementary to other communications services of those companies.

Nevertheless, increased system integration has been seen by some as reducing the potential advantages which might result from eventual competition between the various modes. Therefore, the Telesat proposal to join TCTS created a divergence of opinion in Canada.

I think it would be useful to pause for a moment to say a few words concerning competition in the provision of telecommunications services to Canadians. As everyone knows, over the years there has developed a degree of competition between two major carrier groups, the Trans-Canada Telephone System and CNCP Telecommunications. I do not believe that we as Canadians can afford the luxury of three or four telecommunications carriers competing on a national basis. Nevertheless, the Government continues to hold the view that the public interest is well served by an element of competition in the provision of certain business telecommunications facilities and services that clearly fall outside the family of monopoly telephone services. It is to this end that it supports the role of CNCP Telecommunications as an alternative supplier across Canada within a regulatory framework designed to protect the overall public interest. Insofar as additional competition involving more than these two carrier groups is concerned, I am inclined to accept the proposition that regional considerations may favour regional differences.

Because of the debate surrounding the Telesat proposal to join TCTS, the Government concluded, as a result of its review of the CRTC Decision, that it would be appropriate and timely to undertake a full review of its policy on ownership of satellite earth stations. At present, Telesat Canada directly owns all earth stations in its system. The time may have come for reconsideration of the advantages and disadvantages of this situation, from a public interest point of view.

In addition, the Government considers that the approach that Telesat should lease only complete channels on satellites should now be reconsidered. It has concluded it could be to the benefit of the public that regulated Canadian telecommunications carriers should be able to lease less than complete channels, if they wish, and if the CRTC decides that it would be in the public interest.

Let me now turn to some of the other considerations that also featured prominently in the Government's decision that the Telesat/TCTS Agreement was in the public interest. The effective life of the current generation of ANIK satellites will end in the early 1980s. Therefore, the timing of the procurement of the next satellite series is critical from an operational viewpoint. Furthermore, the timing of the procurement of the ANIK C satellite system is a critical component in sustaining and developing the Canadian space industry. The cancellation of procurement or even postponement for one year would have serious effects.

Such action would disrupt the continuity of programs fostered by Government policies for ongoing industrial and technological competence in Canada. The consequent impact of a suspension of the ANIK C procurement would have been a reduction of approximately \$75 million of work over the next three or four years, now planned in the Canadian space industry and a corresponding reduction of Canadian industry employment of about 300 positions beginning in 1978.

In the longer term, the advanced position of Canadian technology through the design of Alouette, ISIS, Hermes and work associated with the Anik A and B satellite series would have been eroded. The advantages that our industry has gained in several fields of satellite design and production would have been seriously impaired. Regaining the technological advantage, even after a short interval, would have been difficult and costly, if not impossible. The Government was not prepared to jeopardize the accomplishment to date and the related skilled employment by leaving the Canadian satellite carrier, Telesat, to the vicissitudes of the competitive domestic environment which some suggested.

May I emphasize that in deciding to vary the CRTC Decision, the Government reviewed the statutory powers of the Commission to deal with the regulatory situation it perceived as arising from the proposed association. While recognizing some potential regulatory difficulties, the Government was of the view that the necessary regulatory powers exist and can be used effectively, although it might be necessary to devise new regulatory techniques to meet the complexities introduced by the association. In any event, even in the absence of the Telesat/TCTS Agreement, the Commission would be faced with some additional complexities, as satellites become more integrated with terrestrial facilities in Canadian telecommunications systems. By approving the Agreement, I believe that the Government has reaffirmed its confidence in the professional skill and in the competence of the Commission and its staff to deal with the regulatory matters, within its jurisdiction.

Coming back to a main theme of my discussion, I wish to stress that the Agreement will help to bring about an institutional framework in Canada which will provide the economic basis for the public services sector to seriously assess - and hopefully implement - the utilization of operational satellite systems. I understand that in the United States, similar discussions are going on. I am confident that in both countries Government planners, users and carriers together will arrive at structures which are most suitable in the overall system development.

Satellites are already an integral part of the Canadian communications system. With the experimental and development work of Hermes, and the programs planned for Anik-B, we are already pioneering the future development of satellite services.

By the very nature of these experimental programs, the communication services of tomorrow are being designed with the help of the very people who will be using them. And this, in the final analysis, is the greatest achievement of experimental programs, such as those being undertaken through Hermes -- to ensure that satellites are for people.

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SPEECH BY
MINISTER OF COMMUNICATIONS
JEANNE SAUVÉ
ON THE PROGRAM
"LA POLITIQUE FÉDÉRALE"
CBC (FRENCH) TELEVISION NETWORK
SUNDAY, DECEMBER 18, 1977



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Most of you are no doubt aware that the Supreme Court recently confirmed the exclusive right of the Government of Canada to legislate and establish regulations with respect to cable television.

This decision puts an end to a long judicial battle. It now allows us to continue to ensure that this broadcast medium serves the best interests of the citizens of this country. And without a doubt, it has reassured the people of Rimouski and Matane who have had to bear the brunt of these long proceedings.

As everyone knows, our purpose is not to become involved with programming content. The government only wishes to ensure that broadcasting services answer the needs of the people and that the standards of quality, which public authorities have always required of radio and television broadcasting, are respected.

Some feel that the federal government should not concern itself with any media which transmit educational or cultural content or which carry programs affecting the social and economic life of our people.

To abandon these concerns would be to strip the federal government of its responsibility to protect the Canadian identity. It would deny its obligation to provide all Canadians in all communities with as complete and as efficient a telecommunications system as possible. Modern communications systems are instrumental in extending the knowledge, understanding and confidence, so essential to our basic freedom. The government cannot ignore the importance of this.

I am pleased with the decision of the Supreme Court. However, long before the decision was handed down, I had already begun discussions with some provinces, namely Manitoba, Ontario and Saskatchewan, which had expressed an interest in discussing arrangements for sharing responsibilities in the regulation of cable. I had also officially announced that I would carefully consider any serious proposal and sign agreements with respect to sharing regulatory responsibilities over cable television undertakings, if these agreements promoted access to cable television in the best interest of the user.

Contrary to what some people believe, the powers of the Canadian government in these areas do not imperil, in any way, the social and cultural reality of the different regions of Canada, nor do they infringe upon the individuality or the integrity of any single group.

The provinces see cable television as a way to stimulate the development of local communications. We understand their concern. However, we have the right to ask if they can better meet these local needs than the federal government.

Our government has clearly expressed its willingness to proceed with constitutional reform but we would like to remind our partners in Confederation that we consider telecommunications and broadcasting as crucial to the forging of a strong national awareness. This awareness will inevitably spring from our diversity, but can only occur if the central government maintains a firm, yet flexible, control over these strong, dynamic links which now bind us together.

It is in this spirit that I have studied the letter and proposals sent to me recently by the Quebec Minister of Communications. Although I do not accept the minister's pessimistic judgement on the impact of federal jurisdiction in the field of telecommunications, I am pleased that, by submitting his proposals to me, he is willing to recognize the authority of the Canadian government in this sphere. I am convinced that he has already accepted the judgement of the Supreme Court and that he is ready to cooperate with us in its enforcement in the Rimouski case. This is a first and, I believe, significant step. On the basis of a respect for the needs of the people, I am pleased to reiterate that I am prepared to undertake discussions -- discussions based on a clear perception of the responsibilities that rest with both levels of government in communications -- a field so essential both to the unity of Canada and to its cultural diversity.

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BROADCASTING AND RESPONSIBILITY

NOTES FOR AN ADDRESS

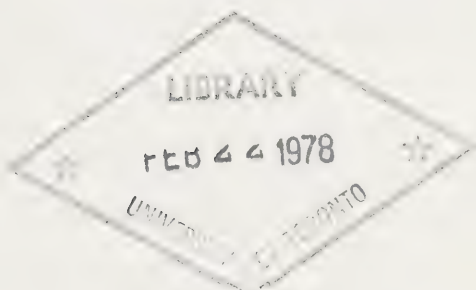
TO THE BROADCAST EXECUTIVES SOCIETY

BY THE HONOURABLE JEANNE SAUVE

MINISTER OF COMMUNICATIONS

TORONTO, ONTARIO

THURSDAY, FEBRUARY 9, 1978



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I'm happy to be here today and I welcome the opportunity to address the Broadcast Executives Society. Your society represents the more than 400 senior people who give direction to the broadcasting, cable, advertising and program production industry, not just in Toronto but in much of the country as well.

Because of your influence on the whole of the broadcasting industry, you have a crucial role to play in this country's cultural development. It is no exaggeration to say that the survival of our country depends upon it.

Your contributions as broadcasters to the cultural development of Canada have been significant. Not least among those contributions are the Canadian Program Festival and the Television Commercials Festival.

You have asked me to talk to you on the "state of the art" as I see it. The phrase "state of the art" is often used to speak of scientific or technological advances. I want to talk to you about "the state" - more precisely, the federal government. I also want to talk about art - particularly about the art of your business.

As Minister of Communications, I recognize only too clearly the tremendous power that broadcasting, cable and telecommunications can exert upon our cultural fabric. That fabric, as all of us well know, is now in great danger of being rent in two.

The prospect of Quebec's separation from Canada is not welcome. If many of us believe, as I do, that that prospect will not become a reality, the uncertainty caused by the threat is undeniable.

How our history is to be written will depend upon a combination of factors--cultural, political and economic. It will also depend upon your response to the divisive forces that now threaten us.

As broadcasting, cable and the common carriers have grown increasingly interdependent in recent years, so has their power grown. It is vital that the power of communications be used wisely to strengthen Canadian culture and the Canadian identity. How you use that power is up to you, the industry, and your consciousness of this problem. Neither the government nor I can force you to harness your horses to the national wagon.

We have also seen a growing interdependence of the means of communications which has chiefly been the result of new services and technological innovations reaching the market place in unprecedented numbers. The potential for still newer services and technology remains vast.

It should be apparent that these and many other developments have called for a coherent national telecommunications policy. In formulating that policy, we have sought the co-operation of all sectors of the industry. The problem, as always, is that a balance has to be struck between the economic employment of scarce resources and meeting public demands for effective service and access to high quality information and entertainment.

We have also sought the co-operation of the provinces. In a country with the jurisdictional complexity of Canada, there are bound to be federal and provincial aspects to virtually all communications systems. Accordingly, we are aware that the provinces want and deserve arrangements that permit them to satisfy their own priorities.

These arrangements mean that we need ways to harmonize federal and provincial policies and to ensure the orderly development of telecommunications. Realizing this, the federal government has taken a number of initiatives to create an environment in which broadcasting and communications can thrive.

As you are well aware, the Supreme Court recently confirmed the exclusive right of the government of Canada to legislate and establish regulations with respect to cable television.

This decision put an end to a long judicial battle. It allows us to continue to ensure that this broadcast medium serves the best interests of Canadians. And without a doubt, it has reassured the people of Rimouski and Matane who have had to bear the brunt of these long proceedings.

I was pleased with the decision of the Supreme Court. Even before the decision was handed down, however, I had begun discussions with Manitoba, Ontario and Saskatchewan about sharing responsibilities in the regulation of cable. The provinces see cable television as a way to stimulate the development of local communications and to provide services other than broadcasting in the future. We understand their concern.

We sought and will continue to seek the co-operation of industry and the provinces in matters affecting telecommunications and broadcasting in this country. I believe this approach is reflected in the new telecommunications legislation, Bill C-24, which was re-introduced in the House about two weeks ago.

This bill is designed to streamline federal regulation of communications to make it more responsive to technological change and to provincial concerns. I am more convinced than ever that this legislation is necessary. It fits the time and mood of the country.

It will provide a much needed mechanism for harmonizing federal and provincial planning and regulation. And provincial ministers appear to support this. It also contains provisions by which policy and delegation agreements with the provincial governments can be implemented.

The functions of the government and the CRTC are clearly spelled out in the bill. The CRTC will continue to regulate and supervise the activities of the Canadian broadcasting system as well as those common carriers subject to federal regulation.

I suppose the most contentious part of this bill -- or at least the part that has received the most media attention -- is the one that empowers the governor-in-council to issue broad policy directions to the CRTC with respect to national telecommunications policy. We have said many times that our purpose is not to become involved with programming content. The act does not authorize the governor-in-council to issue directions to the CRTC on the issue, amendment or renewal of particular broadcasting licences, the content of broadcast programming, the application of standards of quality to programming or restriction of freedom of expression.

Under the Broadcasting Act, the CRTC, a semi-judicial regulatory body, has, in fact, been playing a major role in the development of policy. One does not have to question the beneficial effect the CRTC has had in some areas to recognize the problem created when a non-elected body exercises powers that more properly belong to elected representatives, powers for which the people can not hold it clearly responsible. In an area as critical as telecommunication is to the unity of this country, to the way in which regions and people view themselves, it must be governments, and not public servants or well-meaning trustees, who make the policy decisions and can be held accountable by the electorate.

I can appreciate that this bill is only the most recent in a series of changes affecting the broadcasting industry. I've heard more than once -- and it's true -- that all the important elements in the current broadcasting and telecommunications environment seem to be in a state of flux. Although you and I can perceive these changes -- in federal legislation, new regulations, federal-provincial responsibilities, technology, program production, new services, industry structure and more -- there is a good deal of uncertainty as to what the outcome will be.

This uncertainty about the future often entails some unfortunate consequences. Chief among them is a tendency to adopt a negative or defensive attitude toward innovation, be it legislative, technological or whatever. This situation is not unique to broadcasting. It frequently happens to a mature industry.

Let's put these changes or uncertainties into perspective. First, all of the changes I've mentioned -- the legislation, regulations, federal-provincial responsibilities, technology, program production and so on -- are unavoidable: the times demand them. Second, what is perceived as uncertainty can also -- and I believe in this case, should also -- be perceived as opportunity.

The opportunities before you should not be wasted. Broadcasting has done well in recent years. It has the means to do new and exciting things, particularly in terms of program production. In no small part do you have those means because of a favorable environment created by legislative and regulatory initiatives.

Don't get me wrong. Your own initiative, your entrepreneurial skill has had a lot to do with it.

But I don't see the same kind of initiative and entrepreneurial skill -- the same kind of excitement -- that pervaded this industry 20 or 25 years ago when it was still young and new ideas, new possibilities, fired our imaginations.

The commitment to the industry does not seem to be there any more. A well known, now retired journalist commented recently that TV news today has just become a formula, a set of established rituals. In the early days, he said and I quote, "We soon realized we knew very little and worked things out for ourselves. In those days, it was fun." End of quote.

What has happened to the industry? Has broadcasting today become just another business? Many of you no doubt remember the incredible energy that surrounded the early days of broadcasting. Most of you were a part of it.

There was a spirit of adventure, of pioneering a new medium. People experimented, they tried out new ideas, new approaches.

The technology 25 years ago was primitive. Studios were makeshift, budgets minuscule, video tape recorders uninvented. Yet the human energy that was part of the early days of broadcasting made it a very dynamic and very risky business. It was hectic, but it was fun to be in. People were committed.

CBC's chief producer, Mavor Moore, then said of Canadian TV, "We don't want to put on anything unless and until we think it's ready and good enough for you (the viewers) to see." Well, we're not so innocent any more, are we?

Mr. Moore also said of the budding industry, "We have a chance to build anew -- a rare chance to do something freshly Canadian." Well, we had a rare chance, but the imports are cheaper, right?

That enthusiasm and that challenge seem to have been dispersed somewhere along the road to becoming a mature industry, but I suggest to you that in Canadian broadcasting we can still build anew, we can still do something freshly Canadian and broadcasting can still be -- must be -- an agent for unity. With so much of much our culture tied to broadcasting, you have a heavy trust.

Our country needs a broadcasting industry that is willing to innovate, to diversify, to be infused again by that pioneering spirit. The times demand it.

The federal government has taken a number of measures designed to rekindle this spirit. These measures were taken in response to calls from many Canadians. The calls became audible in the mid-1960s and have since become loud and clear. In the mid-1960s, people began to notice that in almost all sectors of our culture, there was minimal Canadian presence, either in terms of ownership, direction or inspiration.

Since then, the Canadian government has made a significant contribution to the development of communications. CRTC policies and regulations have given the industry a boost. Among them were the CRTC's licensing practices in various markets, the gradual introduction of cable TV, program substitution (or simulcasting) and random commercial deletion.

More recent were the hard fought amendments to section 19.1 of the Income Tax Act, better known as Bill C-58. Proclaimed on Sept. 22, 1976, its purpose was to encourage Canadian advertisers to advertise in Canada. This legislation seems to be having the desired impact and we've begun an analysis to measure the extent of the financial effects of the amendments.

The content quotas, however, were a much more direct means of encouraging the development of additional Canadian programming. They were also necessary considering the low cost availability of foreign programming. We now have content quotas for television and FM radio as well as Canadian content music regulation for AM radio.

Despite these measures, I still receive letters from the public and have had numerous conversations that lead me to conclude that the Canadian public does not view the present performance of the broadcasters as entirely satisfactory. On the contrary, there seems to be a general feeling that, with the growth in revenues, the broadcasting system should be increasing its contribution to Canadian culture by more and better Canadian programming.

Furthermore, it is felt that this programming can be sufficiently imaginative to attract viewers away from competing U.S. programs.

It will be no small task, I grant you. Just one example will give you an idea of the dimensions of the problem. Of every four hours of TV watched by school age children, three hours are of American programs. In some Canadian cities, it's four hours out of five. What is that doing to the Canadian identity? Is it making our children carbon copies of the Americans?

We are still in a situation where the president of the CBC can state "No country in the world encourages the massive intrusion of a foreign culture

that Canada does."

The problems of Canadian content in TV broadcasting are in sharp contrast to recent events in the Canadian magazine industry. The circulation of Canadian magazines is growing rapidly and in 1977 revenues increased by 21 per cent. I venture to say that Bill C-58 has been a contributing factor to the new health of the magazine industry. John Crosbie, president of the Magazine Association of Canada, estimates that Canadian magazine circulation is now three times that of the U.S. magazine penetration (373 million versus 124 million). Granted the two industries are not identical, but I think it is a legitimate question to at least ask why the public cannot expect a similar Canadian "occurrence" in the broadcasting sector now that its revenues are improving?

Can you afford to do more? Or perhaps I should ask, Can you afford not to do more?

From the figures available, it looks as though 1977 was a good year for broadcasters and preliminary indications are that 1978 will be even better.

According to industry sources, total radio advertising revenue for 1978 is expected to top the \$300 million mark. If so, that represents a 13 per cent increase over 1977 and a doubling of ad revenues of five years ago.

The televisison sector has demonstrated remarkable financial strength. Last year, its gross advertising revenues were estimated by the Maclean-Hunter Research Bureau at \$357 million, a 13 per cent increase over the reported 1976 figure of \$315 million. For 1978, the president of the Television Bureau of Canada has predicted that TV time sales will exceed the one-half billion dollar

level. This would amount to an average annual growth rate of 21 per cent since 1972, when advertising revenues were \$156 million.

This past year was also a good one for the cable sector. Although the 1977 figures are not yet available, preliminary 1976 estimates for cable systems with more than 1,000 subscribers indicate that total operating revenues rose by 22 per cent to \$195 million over 1975. This follows an average annual growth rate of 25 per cent over the previous four years.

If broadcasters and cable operators are enjoying a healthy growth period, perhaps your viewing audience can ask if they will be getting any "social dividends" -- in the form of increased Canadian programming that they will want to watch.

What kind of programming could they expect? The domination of the broadcasting industry by advertising, by American imports, by what some regard as the "centrist" view of Toronto is no longer acceptable. People want special interest programming, Canadian programming relevant to their specific cultural needs. Social forces, as are apparent in the awakening of a Canadian cultural conscience in the last 10 years, are breaking the cultural monolith. New technologies can deliver cultural diversity. New legislative or regulatory arrangements can set the environment. But who will create the products?

You have the production expertise. A large portion of television programming is now made by film studios. Perhaps broadcasters can play a similar role with future technologies. In fact, nothing much more than entrepreneurial skill may be needed to make it happen.

I recall about 10 years ago when I was active in the performers' unions that we had suggested that funds for research in TV, for pilot projects, be provided, since we felt even then that TV was out of breath. Perhaps that idea of a program development fund could be actively pursued by the broadcasting and cable industries in conjunction with the program producers and the artists' associations. More money devoted to programming will have a multiplier effect in terms of more work for Canadian performers and writers and of creative stimulation.

Performers' and writers' associations have to be as interested in the development of new talents and new ideas as they are in securing revenues for the already established ones.

Diversity in all sectors of broadcasting and telecommunications is what the future will bring. Diversity will be reflected in regulatory arrangements, in delivery systems, in sources of program production. This trend toward diversity should not be greeted with a negative attitude. Instead, it must be seen as having the potential to unlock creative energies that will make the broadcasting system -- and thereby, our country -- stronger. Indeed, it can easily be argued that this trend is only a mirror image of what's happening in the country as a whole. A positive, confident attitude toward the future on the part of broadcasters is what I would ask of all Canadians.

Indeed, you must be the agents for change, not only in increased and improved Canadian program production, but also in the way that programming is delivered. Co-operative efforts in this regard by all sectors of the telecommunications-broadcasting system may have a synergistic effect. In

England, for example, the BBC, the Independent Broadcasting Authority and the British Post Office are experimenting with new information services called CEEFAX, ORACLE and Viewdata. These are, in a sense, forms of electronic newspapers, delivered by means of the home TV receiver. I'm sure you've heard of these. So far these experiments are at the pilot project stage but they are an example of a co-operative effort that could pay out big dividends--social and financial.

The public and the public interest groups must also assume a much more active stance in telling you what they want. They must make noises to the local broadcaster, the networks, the CRTC, the Department of Communications and all of us must listen. But it is with you that they must first communicate and, one hopes, their criticisms and suggestions will be constructive and formulated on what they perceive your responsibility to be.

The CRTC can make demands upon you in terms of quality programming and so on but its regulatory function will be much more effective if interested citizens and groups challenge your licence applications or renewals as well as work with you to see that they get the kind of programming they want.

As a minister of the government, as a former broadcaster and as a member of the public, I would like to see a lot more emphasis given to developing and protecting Canadian culture. If our culture can thrive, if we ever arrive at the point when we do not have to refer to its fragility, then the unity of this country will be assured. I'm convinced of that.

Broadcasting is perhaps the single most important element in assuring that our culture will be, to use Mavor Moore's words again, "freshly Canadian",

one that Canadians will become familiar with and proud of, one that will be a source of strength to us in the days and years ahead.

You have done much to this end already. I'm asking you to redouble your efforts and do more. It's needed and it's up to you.

Thank you.

Canada *Mr*
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OPENING STATEMENT BY
MINISTER OF COMMUNICATIONS

JEANNE SAUVE

TO THE
MEETING OF MINISTERS OF COMMUNICATIONS
CHARLOTTETOWN, P.E.I.



MARCH 29, 1978



Government of Canada
Department of Communications

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I want to begin by thanking my co-chairman for so graciously welcoming us here and for hosting this meeting in the historical and attractive city of Charlottetown. I am sure that the time honoured environment of Maritime friendliness and hospitality will facilitate a favourable outcome to our talks. It was after all in this very city some 100 years ago that far-reaching decisions were taken setting the course of this country. They were arrived at in a spirit of co-operation, of give and take, motivated by a single goal -- that of moving away from the powers of an old colonization toward one of building a new country. Of course, our goals for this meeting are not quite on that scale of magnitude, but they are nonetheless important. And if we can keep the long-term interest of our constituents constantly in mind -- and they are surely the same for both levels of government -- I am sure that the cautious steps already taken together will lead us a little further toward our common goal of effective public service. Even the great results of that seminal meeting in this city more than a century ago took seemingly endless and bitter negotiation before they bore fruit several years later.

When we met one year ago today in Edmonton, it was after a hiatus of two years. Much had happened in the time that elapsed between the 1975 Conference of

Ministers and the 1977 Edmonton Meeting. The period was marked by change - changes in governments, changes in ministers, thus changes in how we approached provincial problems and changes in how both licencees and the public perceived the legislative environment. I think it is fair to say that the Edmonton meeting was characterized by good faith and optimism: good faith based on the assumption that as long as ministers met face-to-face for open exchanges of views, differences could be accommodated; optimism that progress was being made to ensure that the interests of both levels of government were being taken into account. Even more, what came out of Edmonton was a determination to cooperate and consult further.

I sometimes think we are in danger of concentrating too much on the specific issues that concern us and, in the process, losing sight of our broader and more long-term objectives. Important as the items on today's agenda are, there are much broader questions facing us, questions which we can only deal with together.

It is quite evident, for example, that we must, as a nation, face the threats and potential of advances in communications technology. The impact of the next generation of communications satellites, for example, is bound to influence the future development of cable television. Developments in computer/communications, switching techniques, and distribution hardware may bring the long-promised "Wired City" into existence sooner than had been anticipated.

In facing the challenge of change, it is essential that the Federal Government seek ways of ensuring that as much input to the development of national policies as possible comes from the regions. But the regions must also recognize that this is only possible if the provinces are willing to act in the national interest as jointly defined.

The point I want to make is that these issues concern not just the country as a whole, not just each of the provinces individually. They are of fundamental importance to Canada both as an entity and as a federation of provinces. We are all too well aware of the peculiar mix of jurisdictional and regulatory responsibility that exists in the field of telecommunications, and we are equally aware of the difficulties which existing arrangements have placed in the way of our solving some issues. In the end, it is the achievement of our objectives that counts. Who owns or regulates the various parts of the system is irrelevant to individual citizens, provided that the objectives are agreed on. In this respect, I believe that so-called "federal" objectives, such as a strong coast-to-coast broadcasting system, and access by all Canadians to reliable telecommunication services, cannot be divorced from either the particular or wider interests of the provinces. We are all elected by the same voters.

I think Bill C-24 is evidence of the Federal Government's willingness to examine new ways of approaching the regulation of telecommunications in Canada.

The legislation is based, as you know, on the need to adapt federal laws to changing conditions and needs. It will help us provide a central focal point for the development of national broadcasting and communications policy. And, it will allow for a greater sensitivity to regional and local concerns.

The legislation has emerged only after extensive consultation with provinces, the communications sector and the public. Since its introduction last spring, further modifications to it have been made, many in response to your suggestions. This process of refinement has been a positive result of federal-provincial consultation.

I know from my conversations with some of you last night that there is an earnest desire to build on what was achieved in Edmonton. It is natural that we would now want to take some major strides forward on the matters we will be discussing. It is also natural that we find real constraints on what actually can be achieved in a day-and-a-half meeting. In my view, our best hope for achieving something concrete here lies in a realistic attitude about the goals we set ourselves. We must recognize that we cannot leave here after a day or two of talks on complex questions with all matters solved. Ultimate disposition of much of the agenda will only result if this meeting is complemented by continuing discussions at bilateral and regional levels by officials and ourselves. I would suggest that what we can do and what we have an obligation to do is to set specific directions for ourselves and our officials to follow in the coming year until next we meet, assuming that we will want to continue this process.

I'd like to indicate more specifically what we in the federal government would like to see result from this meeting. My first objective is recognition that whatever we do here in Charlottetown has to respond to our basic concern for the integrity and viability of the Canadian broadcasting system. I am sure this will come as no surprise to you. A great deal of what I will have to contribute to our discussions of agenda items will be governed by this consideration. That, too, should come as no surprise to you.

Consider, for example, the issue of pay television. Pay TV is just one of many consumer services either possible now or looming on the technical horizon. I am looking forward to hearing your reactions to the recently-published CRTC report on pay television during our discussion on this agenda item. But one thing is certain. We cannot make decisions with respect to Pay TV -- or, for that matter, any new service -- without taking into account a whole range of ripple effects which its introduction would generate. Consider, for example, the immense potential of Pay TV to affect the future of Canada's cultural, artistic and production institutions; the Canadian broadcasting system; the communications industries; national as well as regional and local needs; and to affect our future ability to plan and introduce other new services.

Clearly, these factors are paramount in the development of policies for the introduction of any new communications consumer service.

Another of my objectives is to see our discussion on carrier competition lead to a general understanding of some basic policy principles. And, I would hope that we can arrive at an agreement on an approach to consultative mechanisms that could best respond to our specific needs. In particular, I am thinking about mechanisms that would foster cooperation and contact among regulators and among officials.

This might seem dull and discursive stuff -- housekeeping perhaps -- but there is an awful lot of housekeeping essential to providing a stable and secure home and a lot of talk to ensure decisions are democratically arrived at in a true federation.

I hope, Mr. Chairman, you will permit me to indulge in a brief analogy which illustrates my approach.

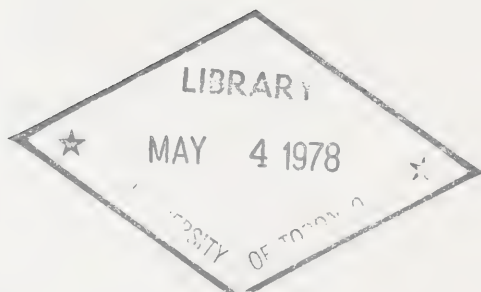
In the natural environment, the ecology can be defined as a system of different elements each working together in a delicate equilibrium. Change the environment, introduce new elements, and the equilibrium can become upset. Our communications system in Canada is in a similar state of equilibrium. Change any factor, be it the introduction of new technology or service, or the realignment of the regulatory framework, and the effects -- multiplied -- can be far-reaching.

My analogy is not intended to forestall change. On the contrary, it is intended to underline the importance of the decisions we take democratically with respect to communications so that there is effective change. Such decisions cannot be taken in either haste or without a full realization of their effects.

If we are able to achieve this measured view of goals for this meeting, we will have accomplished a great deal. And I have every reason to expect that our talks will be successful.

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Journal of the British Columbia Association of Broadcasters



THE PIONEERING SPIRIT IN BRITISH COLUMBIAN BROADCASTING

NOTES FOR AN ADDRESS

TO THE

BRITISH COLUMBIA ASSOCIATION OF BROADCASTERS

BY THE HONOURABLE JEANNE SAUVE

MINISTER OF COMMUNICATIONS

KELOWNA, B.C.

THURSDAY, APRIL 6, 1978

DELIVERED BY CRAWFORD DOUGLAS,

PARLIAMENTARY SECRETARY TO THE MINISTER OF COMMUNICATIONS



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I would like to thank the British Columbia Association of Broadcasters for inviting me here this morning. Since your association represents nearly all of the private broadcasters in British Columbia, I have been given an excellent opportunity to exchange views with you about developments in broadcasting today. I am also pleased to be here in light of comments we hear from time to time - some would say all the time - on how western concerns about broadcasting are being ignored in Ottawa.

There is some justification for these comments. An example of this was brought to my attention recently. The Department of Communications publishes a magazine which carried a special issue last year marking Canadian TV's 25th anniversary. It prompted a letter from one western broadcaster who pointed out that not one of the articles dealt with western broadcasting. It was, he said, another example of a centrist view of national unity and another justification for western alienation.

In view of your contribution to Canadian broadcasting, it was a legitimate complaint. Many of you have done pioneering work in broadcasting and are still doing it. The Rockies, so beautiful otherwise, have posed a formidable challenge to many of you in bringing broadcasting services to all British Columbians. Yet rebroadcast transmitters have been set up and anchored down despite the ferocity of the ice and wind storms that strike that mountainous terrain.

This pioneering spirit is still present in the type of programming that many of you provide. B.C. radio broadcasters are

particularly noted for their contributions to the communities they serve. Radio programming produced in B.C. has scored some notable successes. CKLG, for example, has produced a documentary series, called Challenge, on Canada's culture, history, politics and the personal experiences of its citizens. I understand that copies of this series have been requested by at least 50 private stations across Canada.

Broadcasters can carry Canadian programming to satisfy the CRTC's content quotas, but the real test is whether your audience tunes into it. A number of successful programs that people do watch and listen to have been produced here in B.C. The Al Hamel Show has been getting good ratings. About half a million viewers watch that show. The Beachcombers has done well, not just across Canada but also in a number of other countries. The René Simard Show produced in the new CBC building in Vancouver has attracted more than two million viewers a show, according to recent Nielsen surveys. This has been good enough to secure it sixth place in the Top Twenty. Local programming, some of the most innovative that viewers see, as well as network programming, have kept your studio space filled.

The programs produced in B.C. that people do watch and do listen to have made a substantial contribution to the Canadian broadcasting system. How Canadians perceive themselves and their fellow citizens is strongly affected by what they watch on TV and listen to on the radio. This being the case, I believe broadcasters are in no small way responsible for the cultural health of Canada.

Broadcasting definitely holds a mirror up to the Canadian reality. If we want to find out if Canada is in good cultural health, we need only look at programming. What we want to see is a Canada resilient enough to respond effectively to the economic, social and political changes and uncertainties that now beset us at this critical time in our nation's history. But you and I both know that broadcasting does more than reflect the national reality. It also develops this reality. As Canadians spend three or more hours a day in front of the TV and listen to radio another two and a half hours a day, it is obvious that much of our cultural awareness is based on what gets broadcast. It seems to me that if too much of the programming is foreign, then our nation will not retain a unique cultural identity.

The warnings that Canada needed a vigorous, indigenous culture, not a foreign imitation, are not new. The Aird Commission said the same thing in 1932. Government has heeded these warnings and over the years has tried to rectify the situation. In the interest of national unity, our guiding principle has been that Canadians no matter where they live in Canada should have access to communications in both official languages. This means that French Canadians have as much a right to a French station in Vancouver as English Canadians have to an English station in Chicoutimi. A few years ago, we recognized the need for a coherent and contemporary approach to broadcasting and telecommunications. Legislation has been brought in so the government would have the

tools to make the Canadian broadcasting system more responsive to local as well as national interests.

A first step was to integrate the telecommunications committee of the Canadian Transport Commission with the old CRTC. After weighing various, and often competing, interests, we took a second step by tabling in Parliament the telecommunications bill which consolidates existing statutes. Probably the most important feature of Bill C-24 is the power the bill gives to the governor-in-council to issue policy directives to the CRTC. The rationale for this is basic: those charged with making policy must be held directly accountable to the electorate. The telecommunications bill does not, however, permit the Cabinet or me to issue directives to the CRTC relating to programming content, the award of broadcast licences or the restriction of freedom of expression.

I have also heard concerns expressed that the federal government is abdicating its responsibilities by giving more power in communications to the provinces. This comment has been made before and after the recent Supreme Court decision that affirmed federal jurisdiction over cable TV.

Let's take a look at the matter. First, we all recognize some of the provinces are calling for greater -- and in Quebec's case, total -- provincial jurisdiction over communications. We have listened to the provinces, most recently at the federal-provincial meeting of communications ministers held over a week ago in Charlottetown. We have sought accommodations with them where

possible because they have some legitimate aspirations, particularly in view of regional differences and needs across Canada. We value their input. In developing national policies, however, our first concern is the integrity and viability of the Canadian broadcasting system. We achieved a considerable degree of consensus at the Charlottetown meeting. As a matter of fact, the provinces urged passage of C-24 as soon as possible. In our discussions on cable delegation, we recognized the need to avoid any form of two-tier regulation as well as the need for further bilateral talks on possible delegation options. In addition, there was a general acknowledgement that compatible regulatory procedures should exist throughout the country. But let me assure you that we continue to believe as firmly as ever that the very nature of broadcasting commits the jurisdiction to the federal government.

Broadcasting affects all Canadians, not just some. The radio frequency spectrum is a public resource like the air we breathe. In determining how that resource is used, the interests of all Canadians must be considered. The public is right to question the way broadcasters use this resource and the way the federal government manages it.

The new legislation was introduced at a time when broadcasters see many changes in an environment that once was relatively stable. Broadcasters must respond to these changes because our country needs a strong broadcasting industry. I hope we don't arrive at a point when Canadians will be watching the news on

American TV and suddenly hear that their nation's history has just come to an end. Cancelled for lack of interest - or something like that. Our cultural integrity concerns me as much as charges of western alienation and threats about Quebec's separation. Both public and private broadcasters use foreign programming. But we are threatened by massive amounts of it which spill over from the United States or are carried directly into our homes by cable systems. That's partly why, in 1975, we introduced Bill C-58 which amended section 19 of the Income Tax Act.

Our legislation responded to the continued exploitation of Canadian advertising markets by stations not licensed to serve Canadian communities. In some cases, these stations had been created for the sole purpose of tapping Canadian markets. This is despite the fact that the FCC licensed the border stations to serve their local communities, not ours. At that time, we estimated there was an annual flow of \$20 million in advertising revenues to American stations for advertising directed to Canadian viewers. This siphoning of revenues in our major markets has affected the ability of Canadian broadcasters to assume greater and more costly programming obligations. To counteract this improper encroachment upon our markets, we passed an amendment to the Income Tax Act to encourage repatriation of these advertising revenues by disallowing as a deductible expense the cost of advertising broadcast on foreign stations when it is directed to a Canadian market.

The early indications are that this amendment has had the desired effect. But the effectiveness of this measure may differ

in different regions. In B.C., and particularly in Vancouver, where we originally estimated an annual drain of \$7 million to Bellingham, Washington, the results are not yet clear. KVOS revised its programming format, severed its network affiliation with CBS and then reduced its advertising rates by, we are told, one half. This reaction is clear evidence of the perceived effectiveness of our legislation. These actions may have had an effect on the rate structure of the Vancouver advertising market and, because of the low rates, may even be affecting the radio sector. The other major market influence operating at the same time has been the introduction of Vancouver's newest UHF television station, CKVU.

To assess these and other factors, my department has recently undertaken a financial study of the effectiveness of our legislation and I trust that we can look forward to your co-operation during the term of this study. Should we find that it has not had the intended effect, and if the KVOS problem continues, then other measures will have to be considered. As you know, the government's policies were intended to complement CRTC measures such as simultaneous program substitution and random commercial deletion. Both these, and other measures, can be implemented in a variety of ways and in varying degrees.

Let me repeat that we want a wholesome and strong broadcasting system. Our legislation reflects our determination to encourage all areas of Canadian cultural expression, be it in broadcasting, books, periodicals or the arts. It is imperative

that we provide an environment in which the imagination and talent of Canadians can grow and flourish. We are also studying Pay-TV and a host of other new services, now technically or commercially possible, in the context of our objectives for communications in Canada as set out in the new legislation and how they affect our cultural integrity. In the case of pay-TV, which was also discussed at Charlottetown, provincial views will be an important contribution to the development of a pay-TV policy for Canada. In resolving how and when these new services are introduced, we will be drawing on our past experience, particularly in terms of the effects imported signals have had.

Clearly, one effect has been market fragmentation with its repercussions upon the advertising revenues of the broadcasters. This is a serious problem particularly in the Vancouver area, one of the most heavily cabled in the country. The wholesale importation of foreign signals has both advantages and disadvantages. One disquieting effect is the decrease in the percentage of Canadian programming available in a given market and the attendant decrease in viewing Canadian programs.

In comparison with Canadian broadcasters, American stations have a rather significant competitive advantage. As purchasers of programming whose costs are spread over a much larger U.S. population, their per viewer costs are most certainly lower than those for comparable Canadian productions.

This whole situation is made all the more complex in light of public demands for foreign programs. When the CRTC con-

sidered reducing the carriage on cable of U.S. FM signals into Canada, there was a big outcry from the public. My department has received hundreds of letters from people in British Columbia, who don't want their ability to see or hear whatever they want on radio and television restricted in any way. Members of the public have taken up the cable operators' slogan of freedom of choice in viewing foreign channels. What we see here are competing interests.

While there is obvious interest in foreign programming, we also see evidence of intense interest in local, minority and experimental programming. I think the counter hearing sponsored by the Association for Public Broadcasting and Metro Media, held at the same time and place as the recent CRTC hearing in Vancouver, is proof enough of that. About 30 presentations from community groups, native groups, women's groups, the Japanese Immigrants Society, the Children's Television Association, labor groups and so on, all affirmed the interest in programming and a willingness to produce it to get what they want. The same theme came up at the CRTC hearing itself.

That pioneering spirit, which seems harder to find these days in some parts of the country, has been shown by co-operative ventures, such as CFRO, Vancouver Co-operative Radio. The handicapped, minorities and lower income groups have been given a voice they didn't have before.

Similar initiative has also appeared when non-profit societies have been licensed to bring distant signals by means of

rebroadcast transmitters into places like Slocan Valley where the CBC and private broadcasters have been unable to go and where TV signals are obscured by the mountains. The communities in these places have used their own resources since the early 1960s to operate low power rebroadcast transmitters to bring in programming that is taken for granted elsewhere in urban Canada.

Your initiatives are good to see. British Columbians are doing good things in broadcasting and they deserve recognition. Some of your efforts are fraught with difficulties - especially as far as imported signals and advertising rates from KVO5 are concerned. These are not problems easy to resolve to everyone's satisfaction, but a way will have to be found. To that end, it is important for there to be a dialogue. You must keep letting the CRTC and me hear your views. And the public must continue to do the same.

I know some will say they have complained to the feds before and nothing happened, so what good does it do? Well, I ask you not to give up on us. If you don't like something -- or even if you do like something -- let us know. Federal policy will be sounder if you do.

STATEMENT BY THE

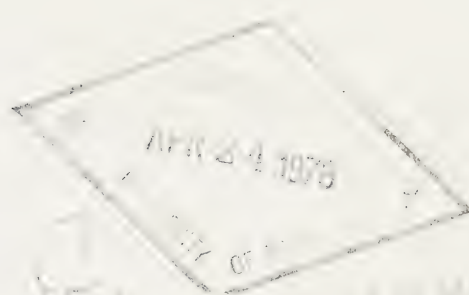
MINISTER OF COMMUNICATIONS

JEANNE SAUVÉ

WITH RESPECT TO TELESAT CANADA'S

CONTRACTS FOR THE ANIK-C SATELLITE SERIES

APRIL 14, 1978



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Contracts signed today by Telesat Canada and the Hughes Aircraft Company of Los Angeles, California for three new Anik-C satellites and associated ground control systems will increase Canada's domestic satellite communications capacity to meet expanding needs. In addition, because the contracts provide for a significant amount of sub-contract work with Canadian industry, they will provide considerable immediate employment and industrial stimulus in Canada's space industry sector.

Canada was the first nation with a domestic geostationary satellite communications system. The first series of Anik satellites was designed principally to provide badly-needed communications services to the North as well as increased east-west communications capability. The Anik-B satellite, currently under construction and scheduled for launch later this year, is designed for replacement capacity. The Department of Communications will lease capacity on Anik-B for an experimental communications program.

The Anik-C series, by providing additional capacity for Canada's domestic satellite system, will contribute to improved national radio, TV, telephone and data service. It will also allow for a more complete integration of satellite and terrestrial services: an integration facilitated by the membership of Telesat in the Trans Canada Telephone System, an association of communications carriers. In addition, these satellites, incorporating new state-of-the-art technology, will be more cost effective: since they operate at a higher frequency than the current generation of satellites, earth stations can be located in city centers, eliminating the need for extensive land-based microwave systems to link the earth stations with the end-use location.

As Minister of Communications, I have a responsibility under the Telesat Canada Act to ensure that there is a "reasonable utilization of Canadian design and engineering skills and the incorporation of an appropriate proportion of Canadian components and materials." This is over and above my general responsibility to promote the establishment, development and efficiency of communications systems and facilities for Canada.

The contracts with Hughes for the procurement of the Anik-C satellites will provide a significant degree of Canadian industrial involvement. The value of work -- including guaranteed offsets -- which will be undertaken in Canada represents 40 per cent of the value of the total contract. Furthermore, because of long term follow-on agreements negotiated between Hughes and Canadian manufactures for the construction of future non-Canadian satellites, a possibility exists for additional work generated in Canada as a direct result of this contract.

These figures compare favourably with previous Canadian domestic satellite contracts. For example, in the case of Anik-A, Telesat's first series of three satellites, the value of the work undertaken in Canada was 14 per cent of the total contract value and, including follow-on work on other satellites, reached 42.3 per cent. For Anik-B the figure was 29.3 per cent.

Work in Canada on the satellites will be carried out by four Canadian companies at locations across the country. These include Spar Aerospace Products Ltd. at Toronto; Kanata, Ontario and Montreal; COMDEV Ltd. of Montreal; Fleet Industries Ltd. of Fort Erie, Ontario; and SED Systems Ltd.

of Saskatoon. It is estimated that more than 600 jobs, many of which will be of a high-technology nature, will be created in Canada as a direct result of the Anik-C contracts.

At the time the Governor-in-Council reached a decision to allow the membership of Telesat in the Trans-Canada Telephone System last November, I stated that the time factors inherent in planning and procuring the next generation of satellites were then critical. I am pleased to note that the schedule for the procurement of the Anik-C series is still on target.

It has always been the objective of the government to ensure that as much industrial activity as possible is generated in Canada, through contracts for Canadian domestic satellites. In respect of the contract for the Anik-C series, the government has worked with Telesat Canada to ensure the optimum level of Canadian content consistent with technical, economic and time considerations. The government intends to continue to stress that in future satellite procurement by Telesat Canada, the maximum possible level of Canadian design, engineering and manufacturing activity is achieved.

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CHECK AGAINST DELIVERY

THE BALANCING ACT

NOTES FOR A SPEECH BY

MINISTER OF COMMUNICATIONS

JEANNE SAUVÉ

TO THE

CANADIAN ASSOCIATION OF BROADCASTERS,

MONTREAL, QUE.

APRIL 17, 1978



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"The Balancing Act"

I am happy to have the privilege of being with you on this occasion and to be able to bring you at least one word of comfort: that the title of my address does not mean I am about to announce new legislation for the regulation of broadcasting! Instead, a meeting such as this offers the opportunity to share our concerns and our thoughts.

It is as an aid to perspective that I offer a few thoughts of my own on our theme. Looking back to the early days of radio broadcasting in Canada, it seems to me that we Canadians as a people, with all our diversity of origin and culture, achieved something admirable together in those days, something which was our own and unique in the world: a broadcasting system that truly reflected the reality of our country through balanced programming. I mean that there was conscious balance between our languages and our several identities; between the need for information and entertainment; between commerce and public service; between conflicting values and opinions; between the lively arts and public affairs.

I believe we have succeeded in developing this distinctive broadcasting system, and keeping its elements in balance, throughout a period of stressful technological change. And I think we have met the challenges of new technologies in radio with great success; so that radio today is returning to its earlier position of influence and popularity with the renewed responsibilities which that entails. I shall suggest that television broadcasting, in turn, is facing the challenge offered by new technologies, and that this challenge must

be met if Canadian cultures and languages are to survive. Our original commitment to balanced programming becomes more important than ever.

Radio broadcasting in Canada came into existence gradually, like a winter dawn. There came a moment in the early 1920s when Canadians could see it was already there. And of course, as historians observe, technical limitations on the number of available frequencies made it necessary for the government to intervene and regulate their allocation. It was not long before intelligent people noticed that the new medium had dissolved physical frontiers. Canada was wide open to the powerful transmitters of its American neighbours. Many Canadians perceived the threat to our own cultures and institutions. By a combination of idealism and national purpose, yet without sacrificing the profit motive, broadcasters arrived at their own balance of information and entertainment. With surprisingly little regulation, the needs of regions and cultures and languages found an equilibrium that suited Canadian ideals of open discussion and fair play.

I have remarked that there was a minimum of regulation. Regulation is not much needed when broadcasters live up to common standards of public responsibility and fair play. The standards were set not by governments but by the community and by the broadcasters themselves. In public affairs broadcasting, radio had inherited the traditions of the Canadian newspapers with their commitment to free and vigorous discussion, objective reporting and public responsibility.

Radio had been a new technology in the 1920s. After the world war it was challenged -- I had almost said threatened -- by the emergence of newer technologies. The development of long-playing records and high-fidelity record-players began to compete with it as a medium of music and entertainment. The arrival of television looked as if it was going to take over all the older medium's functions: entertainment, public affairs and above all advertising. In the early years of television (in powerful conjunction with new techniques of marketing) some of the fun and a lot of the profit began to go out of radio. Perhaps it is fair to say that under these discouraging circumstances, some radio broadcasters began to lose their sense of commitment to the public. It was hard enough just to turn a profit. Nevertheless, radio did succeed in meeting technology with technology.

In a comparatively short period, frequency modulation and stereo broadcasting turned the competition from records and record players to its own account. The technology of miniaturization of solid-state circuits not only made radio receivers cheap and portable but capable of installation in automobiles. And in public affairs and news broadcasting, television did not turn out to be quite so damaging a competitor as radio broadcasters had feared. True, miracles of news-gathering were performed with film and television cameras, but the editing process was far more time-consuming and expensive than the similar process in radio. The same was true of programming in drama and music. Radio had the edge in speed and flexibility. All this is common knowledge, and I suppose I should apologize for taking up your time with it. I can say only that I remind you of these things for a reason. And the reason is that television broadcasting is now, in its turn, at the threshold of an

era in which it faces daunting challenges from new technology. Indeed that era is already upon us; the new technology is already here and there is nothing we could do to make it go away even if we wanted to. I shall return to this point in a moment.

In the meantime I should like to draw attention to an achievement of Canadian radio broadcasting which is less generally recognized. I am talking about what I can only call its civilizing influence on the country at large. This civilizing influence developed certain expectations in Canadian audiences in terms of quality and style. It developed Canadian conventions of broadcasting manners, reflecting the country's traditions of forbearance and restraint without compromising the equally powerful traditions of liberty and forthright expression. I think it is fair to say that one can perceive this civilizing influence in the steady growth of moral taste in public matters -- I do not say moralizing, which is all too easy, but moral taste -- and in the increasing curiosity that Canadians have shown about the life-styles and concerns of minorities. Radio broadcasting was a civilizing influence in the way it helped us to explain ourselves to each other and to the world and so to make us more aware.

Television inherited audiences which had been conditioned in this way. And broadcasters have tried to live up to their expectations. It is a question how far they have succeeded. Everyone knows by now that broadcasters as a whole are among the most influential groups in our society. At present over 97 per cent of the population has access to both television and radio. Audience surveys show that the average person watches television for about three and a half hours a day

(which means that half the population views it for more than that) and add to this a further three hours of radio listening. This means that the electronic media consume more of people's time than any other single activity except work and sleep.

The implications for human consciousness of spending so much time in a world of voices and shadows may be disquieting. But that is not our immediate concern. Our concern is with the extent to which all this broadcasting is contributing to the nourishment and conservation of our own cultures and values, to our survival as a free and independent country in North America.

Let me enlarge upon a topic I raised a few moments ago: the challenges confronting television. The new technologies are already here. For some years, television viewers have been able to make use of remote-control devices that tune out the sound of advertising, often perceived as an annoying interruption. This device may have done something to weaken the power of the advertising message, and so to reduce the attraction of television for advertisers, with resulting loss of revenue. With the advent of video-cassettes and recording devices that can tune out advertising altogether, commercial television is faced with a far more serious threat. This and other new technologies already developed or on the brink of development may entail a number of damaging results for television. The effects of cable television are also very far-reaching. I have already mentioned the prospect of reduced revenues. There is also a clear danger that cable television will result in further splintering of an already fragmented market. And these technical advances could lead to undesirable social results by isolating communities and citizens from one another, undermining the original purposes of the Canadian broadcasting system as set forth in the Broadcasting Act.

As an optimist, I should note at least one of the positive results of the troubled outlook for television advertising. It has returned some advertising to Canadian magazines, which I am told are now beginning to prosper again, after many years in the wilderness. But the implications for radio may be just as positive and full of hope. Radio, as I have argued, has come through its difficult period. It has entered upon a more stable phase. It demonstrated in an earlier period that it was capable of taking a central place in a national broadcasting system. I think it is recovering that place. And this requires the re-emergence of its original commitment to balanced programming.

These responsibilities have never been so pressing, as they are today, in this time of national crisis. There is a discussion going on in this country, a debate on the future of our confederation, a questioning of our whole manner of living together, an argument about the constitutional means by which we are to preserve and develop our cultures in the face of powerful external influences. In this tumultuous time, when the voices of the whole world assail us, when the echoes and reverberations of far-off conflicts daily alarm us, how are we to distinguish, amid the confusion of tongues, the sound of our own heartbeat? How are we to attend to the voices of our own country and our past? How are we to avoid distraction from the essential issues that confront us? It is vital that this discussion be conducted in a fair and reasonable way.

But the responsibilities of broadcasters go beyond the obligation to keep cool heads in a time of heated debate. No one, by the way, would question the right of any broadcaster to take a point of view; the obligation is simply to present it fairly. Radio especially needs to rediscover its own commitment to a just balance between the interests of regions and cultures and languages, and between public affairs and other forms of programming. We should not forget history's verdict on the Emperor Nero who chose to play his fiddle while Rome was in flames. The music may have been beautiful and the Emperor a virtuoso, but we persist in thinking of him as an irresponsible ruler. I am told that Charles II of England was fond of music too, but in the Great Fire of London he joined the bucket brigade. There is a time for music, and a time for fire-fighting too.

The Federal Government of Canada has never sought to instruct broadcasters how to go about their business. It has never presumed to tell them what constitutes balanced programming. The Broadcasting Act states clearly that primary responsibility for programming rests with the broadcasters themselves. The Act is unequivocal on the point. I quote: "all persons licensed to carry on broadcasting undertakings have a responsibility for programs they broadcast but the right to freedom of expression... is unquestioned." I know that broadcasters tread a fine line. I know one cannot please all of the people all of the time. But that does not let any of us off the hook.

I think it worth noting that when questions have been raised about the fairness of programs -- as they were in recent discussions of the CBC -- the federal Government has left the CRTC to judge the issue, thus guaranteeing an impartial decision in a fair and open tribunal.

Among other things, the CRTC has insisted that broadcasters' freedom of expression may not be sacrificed for any reason, adding that though excesses may occur the alternatives of prior restraint or outright censorship would be far worse. I entirely agree. Every Canadian Government since the second world war has agreed.

It is no new dilemma that broadcasters face in this testing time. It is the dilemma that free men have always faced when, with opinions of their own, they still keep faith with fellow citizens in guarding the springs of communication from the poisons of prejudice and the contamination of local and particular obsessions. Above all, within the purview of public affairs programming, the duty to reflect the Canadian reality steadily and reflect it whole becomes more pressing than ever as we approach the issue of referenda.

I hope I am not being contentious when I state the simple truth and say that all of us here have a country to defend. Our country is like a strong city and truth is its bulwark. We are not afraid of fair and frank argument. And there will be no need to make rules and regulations governing the conditions of that or any other argument so long as Canadian broadcasters remain true to their own principles of objective and lively communication, to the principles of liberalism (with a small "l"), democracy and restraint.

NOTES FOR AN ADDRESS
BY THE HONOURABLE JEANNE SAUVE
MINISTER OF COMMUNICATIONS
TO THE INTERNATIONAL SATELLITE
COMMUNICATIONS SEMINAR
LIMA, PERU

MAY 16, 1978

TRANSMITTED VIA HERMES



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Es un placer para mí comunicarme con ustedes por medio del satélite Hermes. Aunque nos separan miles de kilómetros, tenemos mucho en común. We share, for example, a common desire to improve communications services to all regions and segments of our societies. We also share many of the same obstacles to the provision of reliable and economic communications services. The mountain chains of the Andes and Canadian Rockies, the often rugged climatic conditions in part of our countries and the vast distances pose formidable barriers to communications with our widely dispersed communities and hence to our potential for economic and social development.

These great distances and geographic barriers can be spanned through the intelligent application of satellite technology. As long ago as 1959, the Canadian government and industry began work on our first satellite, Alouette 1. When that satellite was launched in 1962, Canada became the third nation in the world to have a satellite in orbit. In all, Canada has launched four scientific satellites to study the ionosphere.

The expertise that Canada developed very early in scientific and experimental satellite technology was applied to the first geostationary domestic communications satellite to be launched by any country. This was the Anik satellite launched in 1972 for Telesat Canada, our national communications satellite agency.

The Canadian government and industry, representatives of which are in Lima with you today, have a long history of working together to advance

satellite technology and apply it to a wide range of commercial and social applications. One shining example of that collaboration is the Hermes satellite, by means of which I am speaking to you today. It is our latest satellite which we in Canada designed and built as part of a co-operative experimental program with the United States. Although the satellite had a design lifetime of two years, it is currently well into its third year of operation and plans are underway to continue experiments into a fourth year.

Because of the power in Hermes, the TV-receive ground stations are very small and relatively inexpensive. Some of the antennas are less than a metre across, which makes them easy to transport and set up. We have used these small stations in some very successful experiments and we will continue to explore new applications of low-cost ground stations for social, scientific and commercial purposes.

Canadian industry and government are working together for the launch of the fourth Anik satellite in November this year. It will be a hybrid satellite working in two frequency bands. In the 6 and 4 gigahertz frequency band, it will provide telephone, data, TV and radio signals like the previous three Aniks, all of which are still operational. The new Anik satellite will also operate at the higher frequencies of 14 and 12 GHz like Hermes and will be used for a wide range of social and technological innovations such as tele-health, tele-education, remote sensing, electronic mail delivery and communications with remote and rural communities. In addition, just last month Telesat ordered a series of three new satellites, called Anik C, to provide improved domestic communications services in the 14 and 12 GHz band. The first of these

satellites is scheduled for launch in 1981.

Like many of you, the Canadian government has recognized the economic need to ensure that contracts to build satellites and earth terminals provide an adequate level of national industrial content.

We believe today, as we did almost 20 years ago, that satellite technology can be of significant value to our economy. It has fostered the development and continuing expansion of an important high technology industry in Canada. It also creates knowledge-intensive jobs which have a positive ripple effect through the economy.

Thus when we hear our South American friends express their concern for national content in contracts awarded to foreigners, it is a concern we in Canada can sympathize with and appreciate. I realize, as do members of the government-industry team from Canada who are attending the ASETA seminar, that we must take this concern into account if we wish to increase our trade in the communications field with South America.

This team of experts is willing and prepared to discuss at least three areas which I believe will be of particular interest to you.

First, we are prepared to transfer technology to you where it may be of mutual interest. Some of our people in Lima with you are negotiating such transfers to other South American countries such as Brazil. Some of our Canadian companies have explored the possibility of forming consortiums with

South American companies or agencies. Our team is prepared to discuss such transfers with you during and after the Lima seminar.

Second, we are prepared to provide training which will foster the necessary expertise to use and build on any technology transferred to you. We have already been doing this for a number of years for Entel, Peru's national communications agency; for Telebras, Brazil's telecommunications agency, and others. This is being accomplished by providing courses and on-the-job training for South Americans here in Canada as well as in your own countries. Indeed, we are providing technical assistance and training to ASETA which is sponsoring this seminar.

Third, we recognize the need to be assured of after sales support, particularly in expensive, high technology programs. I am sure you will find that our companies fully understand this.

Our team at the ASETA seminar will discuss these and other proposals in more detail with you. They will do so from the perspective of a nation which, like you, recognizes how vital communications systems are to both national and international interests, and how vital they are to strengthening our development and economies.

I am proud of this team because they represent the people in the public and private sector who have provided Canada with a domestic communications system which is second to none in the world, and with expertise in other important space applications such as remote sensing by satellite. This team has worked well together here in Canada and abroad.

We look forward to expanding the co-operation between our countries that has been so evident at conferences of the International Telecommunication Union and in the activities of the Inter-American Telecommunications Conference. My officials have spoken to me about the close working relationship with South American officials at the 1977 world administrative radio conference on broadcasting satellites, and we anticipate even closer co-operation with you in the planning for the 1979 general world administrative radio conference and for the 1982 Region 2 administrative radio conference for the planning of broadcasting satellite service for the Americas.

I look forward to increased technical co-operation and an expansion of trade between Canada and South America. I believe effective communications and satellite technology are excellent means of achieving closer relations between our countries that will be advantageous to all of us. Les deseo mucha suerte en este seminario en la hermosa capital limeña. Estoy segura que será un éxito completo.

CABLE AND RESPONSIVE COMMUNITY SERVICE

NOTES FOR AN ADDRESS
AT THE OFFICIAL OPENING
OF THE NEW GRAND RIVER CABLE TV BUILDING
BY THE HONOURABLE JEANNE SAUVE
MINISTER OF COMMUNICATIONS

KITCHENER, ONTARIO
MAY 17, 1978



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First, let me say how delighted I am to accept your invitation to officially open the new Grand River Cable TV building. It gives me the opportunity to meet with some of the most influential people in the cable industry and many other distinguished people here today, especially those from Kitchener, Waterloo, Cambridge, Stratford and the other 13 towns and villages served by Grand River Cable.

May I congratulate you on the architecture of this new building. With so much window space overlooking the Homer Watson Park, your staff must be hard pressed to keep their eyes on their work. On the other hand, I'm sure that isn't a problem with so obviously a stimulating environment within the building itself.

I understand that this new building contains double the floor space of your previous premises and is allowing Grand River Cable to do new things that just weren't possible before -- and do them more efficiently as well as being more responsive to the public and community groups.

I hope they won't be too dazzled by the very modern production facilities contained in the 1,200 square feet of space in the main studio, a part of the 3,500 square feet of space for programming facilities, including two control rooms, VTR repair room, production and changing rooms. Grand River Cable must and should be proud of having a studio which is fully color equipped with a technical quality comparable to that used in televising the House of Commons and that would certainly be the envy of most cable companies in Canada today.

I am sure, however, that the community groups will appreciate the resources provided by Grand River Cable TV who made 1,585 productions last year with the participation of, I am told, 4,624 people from community groups who worked in front of the cameras and, in some cases, behind them.

Grand River Cable TV can be justifiably proud of its local programming efforts which are carried in 12 different languages. It averages 40 hours a week of local programming ranging from coverage of city council meetings to local events, from fashion shows to religious programs and programs with sign language for the deaf. As Minister of Communications, I am heartened to see your visible response to providing service to community groups. Your achievements in developing your community channel provide a bright example for other cable operators across Canada. You have also responded well to the CRTC's objectives for the community channel. This is appropriate in a region which has a long tradition of community broadcasting initiatives.

This community service will, no doubt, be even greater with the flexibility that this new building will give, as well as with your latest acquisition on display here today -- a fully color-equipped mobile van with two color cameras, a sophisticated video system, video switcher, and audio developer/ mixer.

These production facilities, the new microwave system, the 600-foot receiving tower and the 17-channel cable system, all have enhanced the programming opportunities offered by Grand River Cable to community groups and improved signal reception. The program production initiatives shown here at the local level are a good example of the kind of support that the entire industry could provide at the national level. We want to see Canadian programming that Canadians will want to watch. This is a concern that will not go away. It makes me happy, therefore, to hear about some of the innovative steps taken by Grand River Cable TV.

Pay TV is another innovative service which can make a significant contribution to Canadian program production. This was one of the objectives for Pay TV which I stated in my speech to the CCTA two years ago and was one of the main guidelines suggested to me in the March report on Pay TV by the Canadian Radio-television and Telecommunications Commission. I don't think we should push Pay TV down anyone's throat just because the technology is there to provide the new service.

Nor should we sit back complacently while Pay TV develops in a piecemeal fashion without regard for Canadian needs, and federal and provincial interests and participation. I agree with the CRTC that "the need for the planning of a national policy on pay-television prior to its introduction, by government departments and agencies is therefore paramount. Only if planning is carried out in advance can there be prior assurances that the potential value of pay-television to the private and public elements of the broadcast system will be realized."

After intensive study, my department and the CRTC believe that, if carefully introduced and properly regulated, Pay TV could not only benefit the subscriber but contribute significantly to the development of Canadian creative resources and production capabilities.

I have sought and will continue to seek as much input as I can in the formulation of a coherent and comprehensive policy on Pay TV. I raised this matter in Charlottetown when I met with the provincial ministers of communications a few weeks ago. I was pleased by the spirit of co-operation which prevailed throughout the meeting.

While there were differences as to the need to introduce the service at this time, we did agree that Pay TV should not be brought in on an ad hoc basis and that a piecemeal approach should be avoided. We recognized that there were a number of Pay TV systems operating in Canada and that in the absence of adequate regulatory mechanisms or operational guidelines, the new service could be very disrupting to the broadcasting system through program siphoning, for example. For my part, I made it clear that Pay TV affects programming and that it comes under federal jurisdiction.

After much discussion, the provinces asked me to develop a model for its timely introduction which would take into account federal and provincial interests. Work is already underway and further federal-provincial discussions will take place. I also plan to discuss possible models and their implications with the people in the industry and with my cabinet colleagues.

Pay TV is the forerunner of a host of new services to the home that are now possible - or soon will be - that will have a significant impact on many of the elements of our communication system such as broadcasting, cable, common carriers, satellite, program production and motion picture theatres. We must move ahead with care, therefore, with the introduction of Pay TV.

Clearly Pay TV should not pre-empt, rather it should complement conventional broadcasting. Canadians can be assured that the federal government will not permit Pay TV to charge them for programming that they can now see on their regular TV channels.

I will say no more about Pay TV today because today belongs to Grand River Cable TV. However, before I cut the ribbon to officially open this new building, I would like to congratulate the management and staff of Grand River Cable TV on their efforts to provide a real service to their communities. Your approach to programming and your openness to the initiative shown by so many community groups are ones I welcome.

I am sure you will accomplish even more by having these new facilities at your disposal. And with that, I would now like to declare this building officially opened.

CABLE AT THE CROSSROADS

A SPEECH BY
MINISTER OF COMMUNICATIONS
JEANNE SAUVE
TO THE
CANADIAN CABLE TELEVISION ASSOCIATION
ANNUAL CONVENTION

MONTREAL

MAY 30, 1978



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I am delighted to have the opportunity to speak to the Canadian Cable Television Association. Your association always puts on well organized and stimulating conventions. They are not just social get-togethers, but tackle the most pressing issues and developments facing your industry. I certainly found this to be true two years ago at the Toronto meeting at which you were kind enough to ask me to speak and I notice from the panel discussions and workshops you have lined up, that the same is true of this occasion.

The organizers made an excellent and appropriate choice in picking Montreal for this year's CCTA meeting. As a Montréalaise, I couldn't have picked a better city myself. I am glad to be able to offer you a warm welcome to Montreal. I am sure that the charm and friendliness of our city will contribute to the success of this convention.

As many of you know, Montreal was the first major city in the world to launch cable television on a significant scale. Rediffusion Incorporated, the cable company that had 160,000 Montreal homes connected by the time of the first official CBC broadcast in September 1952, was also the company that fought and won the cable industry's first suit on copyright. The 1954 case of Canadian Admiral Corporation versus Rediffusion is recognized as the leading case on copyright for cable television in Canada. Copyright, it's true, is still of concern and you do have a session on that subject scheduled for Thursday.

While Montreal itself is of historical interest to the cable industry, the city's south shore boasts one of the most innovative cable systems in Canada. I'm referring to Télécable Videotron which provides a unique cable service to its subscribers in Longueuil, St-Hubert, Brossard, Candiac and Laprairie. It offers 32 channels in audio-visual and typescript form. From a selection of 4,000 taped documents, viewers can phone any time of the day for a program of their choice. I understand its eight on-demand channels are used over 90 per cent of the time! Télécable has shown real flair in its experimenting with cable technology, providing a genuine community service to its subscribers.

It is possible that Montreal could become a centre for further innovative ideas. Indeed, this convention itself is an example, with live coverage of your proceedings being carried by both Montreal cable systems. In addition, many cable viewers in Toronto will have the opportunity of seeing these proceedings transmitted via a Hermes earth station.

In a way, the Montreal situation exemplifies the theme of what I want to say to you today. Montreal area cable companies have grown and provided an entertainment and community service, some of which is innovative. But they are faced with the problem of how to expand their revenue base and keep on growing.

Although cable penetration may increase somewhat on the island, it may not increase much more than it already has done in the rest of Canada. By last year, more than half the

households in Canada were connected to cable systems and more than 70 per cent are now capable of receiving cable transmissions if they want to. That made 1977 something of a milestone for your industry. Although these figures may have become almost commonplace by now, they do point to the fact that Canada is the most cabled country in the world.

1977 was marked by a number of other achievements in cable. For the first time, the House of Commons was televised and its proceedings delivered to homes by some 45 of the 450 or so cable systems in Canada. Those subscribers no longer have to come to Ottawa to watch the conduct of public affairs from the Parliamentary Visitors Gallery: they can watch it in their own living rooms. I suppose on some days this is more entertaining than others, but this development will surely do something to increase Canadians' political awareness and responsiveness to the political process. And I am sure it is good for us in the House as well. The day cannot be far off when many more Canadians will be able to take advantage of the same opportunity to monitor the parliamentary process.

You have made our country a world leader in cable technology. Canada is the first nation in the world to have a majority of its citizens subscribing to cable TV. We were the first to permit distant foreign stations to be carried on cable. We were the first to provide non-commercial community programming on cable. We were the first to televise our parliamentary proceedings on cable on a regular basis. We were the first nation to provide a coast-to-coast alpha-numeric news service on cable.

What's more, in one of the most advanced communications technologies -- fibre optics -- we are conducting experiments and pilot projects as sophisticated as any in the world. As an example, your industry and my department have funded on a 50-50 basis the fibre optics projects by Broadband Communications Network in London, Ontario.

The credit for these firsts goes to many individuals and groups who have invested their cash, hard work, foresight and a willingness to co-operate. It is because of their efforts that such a claim to being a world leader can be made. They saw a need for cable TV in Canada and were prepared to apply their entrepreneurial drive to fulfill it.

From these developments today back to 1949 when Ted Jarmain first set up his own cable receiver in his backyard in London, Ontario, a lot has happened to your industry. It has grown from one subscriber in 1949 to more than three million. And much of that incredible growth has occurred in the last ten years. A decade ago, 300,000 subscribers received cable TV. That figure has exploded to ten times the number, a truly remarkable growth.

This growth has had a beneficial effect on the Canadian economy. From 1972 to 1976 alone, your industry earned a growth rate in revenues of about 25 per cent. In the same period, the number of jobs created by the industry more than doubled to more than 5,000. Looking at the industry's impact on the economy from another perspective, we see that annual gross revenues in 1975 were \$160 million which leaped to about \$240 million in

1977, and estimates for 1978 set the figure at \$300 million. I know you would like to do better; but clearly you are doing well, not only for yourselves but for Canada.

The dramatic annual percentage growth in revenues that has characterized the industry has, however, begun to level off. Licensees who began operations in recent years are still enjoying the initial growth typical of the first years of operation. Other operators, however, have reached a mature level, a plateau, at which point further growth is likely to be slow.

This is particularly true of cable operators in large urban areas who have reached the end of the initial growth period and are feeling the pinch of subscriber saturation, increasing maintenance and capital costs, consumer price sensitivity and, in some areas, unused capacity.

The general economic slowdown has not left the cable industry untouched and is causing you to take a second look at your plans. Again, to your credit, you have not sat back idly, but are taking steps to cope with changing conditions.

For my part, I remain confident about the industry's prospects in the coming years. As your industry comes of age, it shows many signs of its vitality: one such sign is the large number of participants attracted to your annual meetings. These meetings attract more than delegates from the 300 or so member

cable companies across Canada. There are people here from the carriers, the federal and provincial governments, the broadcasters as well as the universities.

Another sign of its vitality is the Pierre Levasseur study which you commissioned. I find it a thoughtful, candid and healthy re-examination by an industry which wishes to adapt itself to take advantage of future opportunities.

Further encouraging examples are evident in your comments submitted to me regarding Bill C-24, the federal telecommunications bill, the earth station ownership policy review and so on. All these activities reveal a strong commitment to the future.

In fact, all of your workshops -- on copyright, satellite, pay TV and so on -- are manifestations of the CCTA's determination to meet future challenges head on.

Some cable operators are taking advantage of the much lower penetration in the U.S. -- I believe it's about 16 per cent of households -- and the lower value of the Canadian dollar to export technology and expertise as investments in foreign markets.

Still others within the industry believe that the introduction of new services to the home is the best way for the industry to expand and thus climb beyond the plateau it has reached. They may well be right. These new services, however, including pay TV, should be introduced in a planned and orderly fashion so that the impact on the public will not prove

disruptive and will generally have as healthy an effect as possible on the entire cable, telecommunications and broadcasting industry.

While it is not yet entirely clear how these new services might best be delivered and by whom, apprehension has been expressed about regulatory changes, should federal and provincial governments conclude agreements on cable delegation. Some of you have already expressed preference for provincial regulation, others for continued federal regulation. For my part, I have on a number of occasions expressed my concern about the workability of two-tier regulation and some of the provinces seem to agree with me that it is not desirable.

In fact, when I discussed this issue with the provincial ministers of communications in Charlottetown in March, we made considerable progress. The evident spirit of co-operation which prevailed at that meeting reflected our mutual desire to create a harmonious national communications system. While we did not resolve the jurisdictional issues of pay TV, I was asked by the provinces to develop a model for pay TV which would try to accommodate both federal and provincial interests.

Needless to say, differing jurisdictional interests do not affect governments alone. Conflicts and tensions are also evident in the industry itself. CRTC chairman Dr. Camu recently pointed to the different and conflicting approaches of cable and broadcasters. The telecommunications sector of the industry is,

of course, also not free of conflict. These conflicts lead to many problems in the communications sector.

The point is the future -- on some days, at least -- doesn't seem to be as rosy as it did in the early 1970s, a time when everyone was buzzing about the wired city. Clearly the wired city predictions were premature. But that very phrase seems to have been re-instated in the communications vocabulary. Although the term is not used with the abandon of the early seventies, it is being used again.

I suspect one reason for this is fibre optics. I don't think most people -- even in the last 18 months or two years -- would have foreseen the rapid progress being made toward operational use of fibre optics. The field trials now being carried out in various parts of Canada are indicative of this progress. Obviously co-axial cable will not fade away over night, but fibre optics do seem to be the light wave of the future. I think it likely that the ordinary home telephone, an unlimited number of television channels and all sorts of data communications will be carried on that single hair-thin string of glass.

Although this medium of communication promises almost limitless opportunities, it is also causing some apprehension. If telephone, TV, data and other new services to the home are to be carried on optical fibres, the big question is who will own those fibres. Your president, Michael Hind-Smith, recently suggested that competition with the telephone companies may not be far away. "We are destined to compete," he said -- at least in some services. Fibre optics may well exacerbate the problem

posed by the whole question of new services and the status of cable.

If the cable industry has reached a profit-making plateau, which you want to get beyond, you must make decisions right now about which way to go. In other words, it seems to me that the cable industry has a number of options. One of these options is the programming option which according to some of the more vocal critics of the cable industry would require higher quality community programming, greater Canadian content and greater use of Canadian talent and productions. This leads to what I would term the programming option. If this is a desirable option, the cable industry should be prepared to increase its contribution to the Canadian program production industry.

Other critics have called on cable operators to get out of programming altogether, including pay TV. The rationale -- or fear perhaps -- behind this is the implications of further mixing of content and carriage. As you know, the separation of content and carriage has been one of those time-honored principles in communications. This brings us to the passive carrier or public utility option.

I suspect you can't get too excited about either of these options, but as is in other matters Canadian, there is a third option. This third option would be a hybrid -- or to use the term some of you have used of late -- a multi-casting function. This is the cable-as-multi-carrier option. You yourselves have

recommended a new definition for a "cable television undertaking". One of the points the CCTA raised in its February brief to me was that cable should be defined in terms of its capability to receive and distribute broadcasting signals as well as to originate and distribute programs and other services.

In the past when defining cable legally, we have tended to define it in terms of what it has been. I would rather define it in terms of what it could be. The thrust of the CCTA brief, moreover, suggests to me that the CCTA itself believes it is at a crossroads.

I know the industry is actively engaged in redefining the role of cable to ensure the continued growth of its unique capacities. Indeed that is partly what this convention is about - and I look forward to hearing more from you, and I sincerely mean that knowing full well how vocal your president can be at times.

Indeed I and my officials have already started a series of consultations on our priorities with leading representatives from the telecommunications sector. Some of these conferences have now been institutionalized under the Delta project led by the Universities of McGill and Montreal and to which a widening cross-section of industry is now subscribing. Delta provides the communications industry with a unique and promising forum in which problems can be jointly examined without foreclosing the

corporate options of any participants. I welcome this kind of constructive dialogue. But that is not all. I have asked my new Deputy to present me with conclusions and proposals arising out of all these consultations and the departments own analyses by early autumn so that the government can effectively respond rationally to our mutual problems.

With technological developments being so advanced and able to provide us with so many new services, we have now come to a fork in the road. All sectors of the communications industry and governments, both federal and provincial, must work together and decide together where to go from here.

At best, governments can create an environment to facilitate orderly development and innovation. Of paramount importance are the ideas, energy and determination emanating from the industrial sector.

Those will be demanded if we are to resolve the most fundamental issue facing communications in Canada today, namely the question of content and carriage. The status of cable television is the key because, as I have said, it will in large part determine the future infrastructure of the entire communication industry.

Some tough decisions must soon be made about the industrial framework that will best accommodate the new developments facing us. The first question is the role and status to be assumed by the cable industry.

Your industry can play a major role in the shaping of a new national broadcasting and telecommunications service that will serve Canadians and contribute to our economic and cultural goals.

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I look forward to the results of this convention with interest.

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CHECK AGAINST DELIVERY

NEW PROGRAMS IN COMMUNICATIONS.

NOTES FOR A SPEECH BY
THE HONOURABLE JEANNE SAUVE
MINISTER OF COMMUNICATIONS
AT THE
CANADIAN TELECOMMUNICATIONS CARRIERS ASSOCIATION

QUEBEC CITY

JUNE 19, 1978



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In the chronology of human endeavour, there are identifiable milestones which, because of their significance, influence the course of development. Historians, in a sense, have it made, for it is far easier to pinpoint a milestone from the vantage of hindsight than it is to predict what phenomena or events occurring today will turn out to be significant in the long run.

I have two major programs to announce today, and, although I lack the perspective of history, I would venture to say that both of these will be considered as important milestones in the evolution of communications in Canada. One involves the infant technology of fibre optics, and the other relates to a new satellite communications program. Both are aimed at finding innovative ways of harnessing new technologies for the benefit of Canadians everywhere.

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As we return to our hotels or homes this evening, we will have the choice of a dozen AM radio stations or half a dozen FM stations to listen to on the way. Every available TV channel here in this city, as with most Southern Canadian cities, is filled with programming, French or English, good or bad, domestic or foreign. With the touch of a few buttons, we are in instant and private contact with almost any other person on this continent.

All of us tend to take these marvels in stride. The services have evolved over the years. The technological miracles, introduced one by one, are absorbed into the system. We take them for granted.

But there are Canadians who have been by-passed by technology -- to whom the things we rely on without thinking are inaccessible luxuries. There are

places in Canada where with luck and a very high antenna, only one slightly fuzzy television channel is available -- or none at all. There are technological backwaters where telephone service is not a private affair, but something to be shared with four, eight or even more customers. I am speaking, of course, of rural Canada.

We in the citied south tend to be patronizing to our rural confrères. According to common wisdom, a person chooses rural life precisely because he wishes to avoid the hustle of urban technology, forsaking it for a pastoral existence like some modern-day Thoreau.

Nothing could be further from the facts. More than five million Canadians, 27 per cent of the population, live in rural areas of Canada. And while the degree of satisfaction with the telephone service varies across the nation, indications are that a third to one-half of rural telephone subscribers are unhappy with the service they receive compared with about three per cent of urban subscribers. About 30 per cent of rural subscribers are still on lines with more than four parties, and while four-party line telephone service is fast becoming the norm for rural areas, the demand for single-party service -- as telecommunications carriers are well aware -- is rising sharply.

It would be both unfair and unproductive to lay the blame for the urban-rural communications gap on the doorsteps of the telecommunications carriers or the broadcasters. The underlying painful truth relates to economics. It costs so much more to serve low-density rural regions in comparison with urban areas -- about seven times more, on average, for telephone alone.

One of my responsibilities as Minister of Communications -- in fact it is chiseled into the Department of Communications Act, is "to promote the

establishment, development and efficiency of communication systems and facilities for Canada." It is a responsibility that I take seriously. And while the department is looking at a number of ways in which rural services can be improved, I am particularly pleased to announce today that the Government in partnership with your association has agreed to undertake a major project which has, as one of its aims, the improvement of communications to rural Canadians. At the same time, the project will stimulate industrial activity in a new and promising area of technology -- fibre optics.

The small rural town of Elie, Manitoba may seem an unlikely place to begin a technological revolution. Located sixty kilometers west of Winnipeg, it enjoys characteristics similar to those found in small-town Canada everywhere. Its 350 people are mainly farmers or work in farm-related activities although a few do commute to Winnipeg.

One hundred and fifty householders in Elie and the surrounding countryside will soon be participating in a bold experiment with the revolutionary new technology of fibre optics.

To date, as far as we know, all fibre optics applications, experimental or otherwise, have been in urban or high-density settings. But with this Manitoba field trial, we are taking the promise of fibre optics from the crucible of research to an operating system in rural Canada.

The trial will deliver, through a fibre optics transmission system, single-party line telephone service, at least five and possibly more TV channels, FM radio and some two-way computer interactive signals to allow for such services as teleshopping or information retrieval. The proposal,

originating with the Manitoba Telephone System and supported by my department and the Department of Industry, Trade and Commerce, is aimed at testing this new technology under actual environmental and market conditions.

To plan the details of the trial, the Department of Communications, in conjunction with your association is sponsoring program definition studies with Bell Northern Research and Canadian Wire and Cable. The cost of the studies is \$200,000, split 50-50 between the department and your association. The trial itself would cover a five-year period. The Manitoba Telephone System would supply the basic infrastructure for the trial including housing, poles, switches and personnel for operating and maintaining the system.

But the system is only one aspect of the trial. What we do with it is where an exciting potential lies. Private sector and government agencies, both federal and provincial will be invited to provide experimental services through the system, so that subscriber reaction as well as the technology can be tested in a realistic environment. The extent of these services is theoretically limited only by our imagination but could include, for example, veterinary information, CANFARM management information services, consumer reports, weather, shipping guides, games, income tax help, and on and on and on.

Why fibre optics? What is so different about this particular technology that makes it so promising for rural applications? First, it is expected that within a few years, it may be possible to run a glass fibre to a subscriber for less than the cost of a telephone line.

But the potential lies in the incredible information carrying capacity of

fibre optics. A glass fibre is capable of delivering not only standard telephone service, but cable television and other informational, educational and entertainment services not yet dreamed of. Quite apart from the social impact of such potential, there is the prospect that the revenue from telecommunications services delivered through fibre could be doubled or tripled through fees for other services.

Fibre optics, as most of you know, is one of the hottest technological properties of the seventies. Western nations are scrambling to perfect and introduce it and a world-wide race is on.

The stakes are astronomical. A 33 per cent average growth rate per year in world wide optical fibre consumption has been predicted into the 1990's. In North America alone, the value of the fibre optics industry is projected to be, by 1990, more than a billion dollars a year. By supporting a Canadian field trial in a rural environment, the Government will be providing Canadian industry with the practical experience it needs to develop a solid internationally competitive position in this new and rapidly expanding market. This is one enormous industrial band wagon we cannot afford to permit to take off without us. I need not speak of implications for Canadian industrial investment returns, jobs, and spin-offs, or of the domestic and world wide market potential of fibre optics.

Canada, at the moment, is a world leader in fibre optics technology, thanks to research activity in my department, at Bell Northern Research, at Canada Wire and Cable and elsewhere. Several fibre optics trial

projects are already underway in Calgary, Toronto, London, Montreal, here in Quebec City and elsewhere. But it is a precarious lead. Canada could easily fall behind in the face of large Japanese government subsidies to its industry and concentrated United States activity, both government and commercially funded. Without additional Canadian government encouragement at this critical time, Canada's world position in this important technology will be eroded, perhaps lost.

As major purchasers of fibre optics technology you also have a serious responsibility here. Foreign firms will be especially anxious in this critical phase to score early successes, for these will become the beach-heads for future growth. But for precisely the same reasons, it is important that the Canadian fibre optics industry be encouraged and supported through your procurement practices. In a very real sense, your actions over the next few years will determine the fate of the fibre optics industry in Canada. The federal government will assist the communications carriers in any way possible in their efforts to encourage a thriving, Canadian-based fibre optics industry. Within the department, the Communications Research Centre is a world-renowned centre of expertise in many aspects of fibre optics technology and this expertise is available to you.

If the support of the Canadian Government in fibre optics development can be considered as planting the seeds, then it is up to industry to nurture their growth through aggressive development, implementation and marketing activity. Through my insistence, the federal government's funding of this fibre optics field trial has been made possible as a result of the new program, announced two weeks ago by Minister of State for Science and Technology Judd Buchanan, to

encourage and strengthen research and development in high technology areas. It is important that the industry seize the opportunity of fibre optics at this early stage. I am particularly encouraged by the actions of the Manitoba Telephone System and your association in supporting this trial and providing the means for significant progress in this area.

Most of you will have realized by now that the Manitoba field trial is portentous in other, quite different ways. For the first time, albeit on a trial basis, one single communications pipeline will carry telephone, broadcasting and other services directly into the consumer's home. For the first time, one single umbilical cord will provide the electronic link between the consumer and the outside world.

The entire evolution of telecommunications institutions, infrastructure and regulation in this country has been based on the distinct and separate character of the telecommunications carriers and the cable TV organizations. Each has operated monopoly services under groundrules established by the limits of geography, regulation, technology and economics.

Recently, both groups, the telecommunications carriers and the cable TV companies, have been increasingly anxious to provide a greater range of services. Even in the absence of fibre optics, the roles of these two groups will begin to converge, to overlap. Their interrelationships may become significantly altered, their traditional distinctions blurred. The major challenges that all of us must face, as these possibilities turn to probabilities, are to ensure that developments are orderly and in the public interest.

One of the prerequisites of the federal government here is to create an atmosphere which encourages the development of technology and new services. In this evolutionary period, it may be necessary to redefine the roles of both telecommunications carriers and cable companies beyond the provision of their traditional services.

I look forward to consultation with all interested parties as we continue to examine the possibilities offered by these changing technologies and changing conditions to see how some form of cooperation in the provision of new services could be introduced or to consider areas in which competition could become advantageous.

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As promised, I have a second major program to announce today. And although it may appear unrelated to fibre optics, it too has the objective of developing new services from new technology.

Through what has proved to be considerable foresight, Canada first pioneered and is now the acknowledged leader in developments leading to the broadcasting satellite. As you all know, the highly successful Hermes program has provided us with a solid record of experience in the emerging technology of high-frequency, high powered satellites. We have undertaken a unique series of social and technical experiments using the Hermes satellite, through which doctors have guided operations from a distance, and have even helped in the delivery of a baby -- the first by satellite -- and northern communities have participated in exchanges of information and ideas.

Someone once said that with Canada's space program, we are looking at the stars with our feet on the ground. And it is true that we have carefully steered our space programs in directions which promise practical results.

In the wake of Hermes' success, I am pleased to announce the next phase of our program to develop new practical services through satellite technology: this time through Telesat Canada's Anik B satellite.

As many of you know, Anik B, scheduled for launch later this year, will carry a unique feature. In addition to channels operating at the traditional satellite frequencies, it will also, like Hermes, carry capacity in higher frequency ranges.

The significance of this hybrid feature is that Anik B can now be used to lead new satellite services from the experimental stage to the point where we can determine whether services can be introduced on an operational basis.

One of the more exciting of the new services now possible is that of transmitting live, across the country, the proceedings of the House of Commons. If this occurs, it will be a vivid demonstration of the way in which new technology can serve the people -- in this case, by giving the chance for all Canadians to be closer to our democratic process and to understand at first hand, the machinery and drama of Parliament. We are currently exploring various possible delivery systems for extending TV and radio coverage of Parliament. And I support any efforts to bring the proceedings of Parliament to as many Canadians as possible.

If we in Canada are to expand our use of satellites for the delivery of broadcasting and other services, then the notion of a largely Canadian satellite program package becomes increasingly attractive. This would mean that the House broadcasts would constitute but one of a number of program signals distributed via satellite. The merit of such a package is that it could bolster both hardware and software sectors of Canadian communications industry simultaneously. Although still in the early stages, the possibility of a national satellite program package is being examined by the Department, the CRTC, and some sectors of the industry.

Such a satellite program package would would help to safeguard the cultural aspects of Canadian communications, as well as strengthen Canadian industry. Hence, by acting as a catalyst, the national distribution of the House proceedings could play an important role in promoting national broadcasting objectives.

Satellite distribution of the House of Commons is but one of many doors opening as a result of satellite technology. But there are others.

I am pleased to announce that the Department of Communications has accepted 14 proposals for pilot projects on the Anik B satellite which will be conducted by various groups across the country -- all of which have developed creative and innovative approaches to the potential offered by new satellite services.

For example, Memorial University of Newfoundland plans to deliver educational health programs in seven isolated Labrador communities, through a two-way satellite communications system.

The Ontario Educational Communications Authority will extend its television network, via satellite, to several remote communities.

In Quebec, several provincial departments and universities will work with the Ministry of Communications and my department to deliver health care, education and other government services to native and non-native people.

The possibility of an Inuit broadcasting service will be tested by the Inuit Tapirisat of Canada, and the group will also use the satellite for two-way educational services and teleconferencing.

Edmonton will be linked through one-way TV and two-way audio circuits with several northern communities for educational and social services under a project led by the Alberta Educational Communications Authority.

Among the technological projects are those dealing with data communications, remote sensing and radio propagation studies.

Hermes has shown us the potential of the high frequency satellite. Anik B is aimed at realizing that potential.

And what of Hermes itself? Although launched in 1976 and designed for a life of only two years, the bird is by no means dead and it will be providing a third, bonus year of experimental communications projects to user groups across Canada. Another 14 Hermes projects have been approved and are underway. These include a video teleconferencing experiment between two Quebec communities and another between Thunder Bay and Toronto, a telephone network linking five community radio stations at the Wa Wa Ta Native Communications Society in Northern Ontario, and a test of the accuracy of atomic clocks, this by the National Research Council.

Details of both the Anik B and the Hermes experimental programs are provided in a news release being issued today.

Before I leave the subject, I think it is important to emphasize that satellite communications have a national dimension.

In my view, three principal factors make it clear that satellite services in Canada must be developed through the federal government:

- The cost of communications satellite systems is such that they become practical only when used for a large number of purposes or to transmit large amounts of information;

- The capacity of satellites to banish distance as an obstacle to communications makes them uniquely suited for communications over wide geographical areas;

- The international aspects of satellite communications are such that the federal government must be involved.

These three factors clearly indicate that, in a country such as Canada, it is only through the federal government that it becomes practical to develop satellite services. But at the same time, satellite systems are flexible enough to provide regionally or provincially-based services, as the various Hermes and Anik-B proposals make obvious. And it is fair to say that satellite services would not have developed at all in this country without the leadership of the federal government.

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The programs I have announced today will not only help harness new technology for the service of Canadians, but they challenge us to grapple with a changing environment precipitated by changing conditions. Our responsibility, both in the public and telecommunication sectors, is ultimately to the public. The theme of your association's conference this year relates directly to this responsibility. And as long as we all keep the public interest foremost among our objectives, I am confident we will meet that challenge.

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New programs and techniques in communications, such as those I have referred to today, are all factors in the growing interrelationship and interchange among our various cultures. With the help of modern technology, we have learned to cast aside those cultural barriers which, in the past, have kept us apart. With the help of new techniques in communications, our world-wide links have grown stronger. It is no longer possible to be isolationist.

Modern communications, of which fibre optics and satellites are now an integral part, have shown us that the very concept of culture is transcending the narrow, constraining definitions that have at times been formulated. At the same time, culture itself is not static and the government must adjust its policies and actions -- not in an attempt to reject the past or erase differences, but as an inducement to broaden the very concept of culture.

The use of technology such as fibre optics and satellites can serve as essential and practical ways to strengthen cultural ties. And, in this perspective, it is also important that industrial firms work together, particularly on large projects where costs become a factor. In the future, we may have to develop infrastructures which would allow for collaboration in the development of large-scale projects, such as those carried out in Europe under the European Space Agency and other organizations.

The Government of Canada has a responsibility to provide the necessary tools to serve the public interest and to promote national unity whose foundation, as Prime Minister Trudeau has said a week ago, must be consolidated.

The links that have developed among Canadians over the years have not only oriented our social perception but have profoundly influenced the various cultures that make up this country. The culture of Quebec has not escaped this process of interaction. However, instead of growing weak or impoverished, the culture of Quebec has found increased vitality and strength. Its current health is not only a confirmation of this fact, but in my opinion, stands as the ultimate rebuttal to those who argue that federalism has brought about an assimilation of the people of Quebec.

Some have gone as far as to say that the Quebecers are a "colonized" people. Not only is this a very inaccurate view but it overlooks the enormous contribution the people of Quebec have made to Canada. As a Quebecer, I can honestly say that we have worked hard at home, but we have not worked alone and we cannot take all the credit for the achievements of which we are so proud. Our status as a part of Canada has enabled us to draw resources from the federal government -- resources which have contributed greatly to the growth and richness of our culture. These resources have also made it possible - and this must be said and said again -- for us to escape the dominating influence of the American culture and have encouraged the expression of our own talents and creativity. Viewed in a broader context, Quebec can be said to have achieved in Canada something analogous to what a number of European nations have achieved. Despite the vagaries of their politics and history, they have succeeded in upholding the values of their cultures and civilizations to the world.

To better achieve the objective of national unity and to meet new challenges, the federal government has stated that it is time to act.

Like other Canadians, you are aware of the extensive constitutional reform program that must be undertaken immediately. Many people who have carefully read the white paper will have been convinced of the simple and straightforward fact that the culture of a people, regardless of who they are, can only thrive in a stable political environment built on common consent -- the consent of those who are aware of their respective differences but who at the same time

recognize that those differences are but aspects of a single identity. In a sense, the government's constitutional reform program amounts to a white paper on culture. It is no mere academic exercise. It is a realistic program with concrete proposals and comes at a time when our people have expressed their readiness to participate fully in a meaningful and cooperative venture.

I have spoken to you today in my capacity as the Minister of Communications. And the programs I have announced will surely be of significance to all Canadians. But my field of endeavour has no meaning or value except in so far as it enables us to transcend technology and to give equal importance to the human element.

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CHECK AGAINST DELIVERY

TELEVISION ADVERTISING BETWEEN FRIENDS

NOTES FOR AN ADDRESS

BY

THE HONOURABLE JEANNE SAUVE

TO A JOINT MEETING OF

THE CANADIAN ASSOCIATION OF BROADCASTERS

AND THE NATIONAL ASSOCIATION OF BROADCASTERS

IN TORONTO

THURSDAY, JUNE 29, 1978



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I would like to officially welcome our American friends and neighbors to Toronto. I would also like to thank the Canadian Association of Broadcasters and its president, Ernie Steele, for the invitation to speak to you today at the first meeting of the CAB and its American counterpart, the National Association of Broadcasters.

Since both associations have a number of interests in common, your discussions should prove to be of mutual benefit. Your perceptions of those interests may well be colored by a number of similarities and differences between the Canadian and American broadcasting systems. These similarities and differences and the rationale for their existence affect relations not only between regulatory bodies and broadcasters but also between countries.

Perhaps the most important difference is that Americans can make a claim Canadians can not: most of the programming they watch is produced in their own country. More than seventy-five per cent of the programming viewed in Toronto, for example, is from a foreign country, the United States -- a friend, but a foreign country nevertheless. Of the 12 stations on Toronto airwaves, five are transmitting from the United States.

One similarity we share is our heavy viewing of television. After sleep and

work, television consumes more of our time than any other activity. That we watch about three and a half hours a day has made television one of the most powerful institutions in North American society. How secure a hold TV has on us was illustrated by the Detroit Free Press last year. Curious about TV addiction, the newspaper approached one hundred and twenty Detroit-area families, offering them each five hundred dollars to give up television for a month. Only twenty-seven accepted.

Another similarity is the prevalence of television. In both Canada and the United States, TV sets can be found in about ninety-eight per cent of our homes.

Television's reach has made private broadcasting a very profitable undertaking in both countries, partly because of its success as an advertising medium, which is what I want to talk about today. In the United States, the 1976 revenues of commercial TV and radio stations exceeded seven billion dollars. For that same year, the revenues of Canadian broadcasters were just over six hundred million dollars, less than ten per cent of the American figure.

Broadcasters have a formula that works. Most broadcasters don't want to see that formula changed, which is what concerns you about attacks made on television advertising. I would like to examine briefly three or four of the issues relating to television advertising which we have in common with Americans.

The first involves advertising directed at children. I have seen estimates that American children view twenty-one thousand commercials each year. Obviously advertisers regard children, including pre-schoolers, as an important market. Not everyone, however, thinks advertising should be directed at them.

A number of groups in the U.S. have been calling for a new inquiry by the FCC into children's programming and advertising practices.

Canada has stricter broadcasting rules governing this form of advertising than the United States. In 1974, following hearings by Parliament's Standing Committee on Broadcasting, our regulatory body made compliance with the CAB's code on advertising aimed at children a condition of licence. Commercials are now pre-cleared by a committee of the Canadian Advertising Advisory Board with representatives from the Consumers Association of Canada and the Canadian Radio-television and Telecommunications Commission, our regulatory body. The code's guidelines provide more specific direction than the voluntary broadcasting code in the United States on points such as advertising and pre-schoolers, factual presentation, product prohibition, avoiding undue pressure upon parents and so on.

The CAB's code has worked well. It does not, however, apply to commercials seen on American stations via cable or off-air. This raises a problem because, for example, there is legislation awaiting proclamation in Saskatchewan which would extend their prohibition on alcohol advertising to the deletion of all beer and liquor commercials carried on cable systems.

A second attack on television advertising has dealt with advertising which does not sell, for example, a cake of soap but which does seek to sway a viewer's political, social or economic views, and which is commonly called advocacy advertising. Commercials that urge viewers to exercise regularly or not to smoke are advocating a point of view as much as an oil company commercial that tries to stir public support for off-shore oil drilling. Most of these so-called public service or institutional commercials have been accepted by private broadcasters, but you have not so readily accepted commercials by public interest groups that seek to counter the views of the larger advertisers.

The recent report of the Royal Commission on Corporate Concentration found that "Most, and perhaps all, radio and television stations in Canada currently refuse to sell or supply broadcast time for counter- advertising under any circumstances, primarily...because of concern about the possible commercial repercussions from their regular advertisers." The commission feels that rules are needed to guarantee the rights of those with opposing points of view to purchase air time. I agree. There is something disturbing about the public's being denied access to a public resource. Our regulatory body, the CRTC, plans to hold hearings sometime next year on the whole issue of balanced programming, which will include advocacy advertising. So far, no guidelines or regulations have been set down in Canada to cover advocacy ads.

A third attack on television advertising has come from women. The November 1977 report for the Canadian Advertising Advisory Board found that "Today's woman becomes irritated by advertising that shows women and men in an exaggerated and unrealistic way". Removal of ring around the collar, in other words, is no guarantee of a happy home life.

Why more advertisers haven't got this message yet bothers me, particularly when women between the ages of nineteen and forty-nine are the principal consumers of products advertised on TV. Some of the commercials I've seen reflect a consciousness of the equality of men and women but others still use the most ludicrous stereotypes. How disgusting the use of bad stereotypes actually has been was brought home to me a couple of years ago at a Paris conference of women parliamentarians hosted by Mme Françoise Giroud. A twenty-minute showing there of advertisements, one after another, depicted women as fearful, insecure, incompetent, weeping creatures. It was really quite

sickening. The cumulative effect was devastating and made me realize how powerful this continual exposure to stereotyping really is. Such advertising is degrading to women since it treats women as servile beasts of burden whose every happiness lies in pleasing their men with cleaner floors or whiter whites. I fail to see why advertisers cannot produce commercials that would treat women as normal human beings. Broadcasters permitting these same commercials are equally to blame for showing a lack of sensitivity to women's feelings and their struggle for equality.

While the C.A.A.B. report recognizes the problem of stereotyping in television advertising, it has been criticized for implying that the problem is minor. A study prepared for Canada's Status of Women Council suggests otherwise. It says that sex stereotyping has become a major source of irritation and that revision of advertising codes is necessary. In fact, it says industry response has been "so limited" that government regulation may be needed if stereotyping is to be reduced. I agree with those who believe the advertising industry is abrogating a basic responsibility in the representation of men and women. Canadian concerns about bad stereotyping are not substantially different from those expressed at the National Women's Conference in Houston last November. The conference called upon the media to "make affirmative efforts to expand the portrayal of women to include a variety of roles and to represent accurately the numbers and lifestyles of women in society."

All three of these current issues in television advertising are known to some degree or other in both of our countries. All three types of advertising, to quote Frank Mankiewicz and Joel Swerdlow in their book, Remote Control, "accomplish more than just the sale of deodorants, cars and floor waxes; they sell a set of values." This creates a problem for us since some of our values

are different from American values.

In Canada, unlike in the U.S., there is the question of our cultural identity. This concern for our identity and our values is one reason why Canadians adopted a model for their broadcasting system which differs from that adopted in the U.S. It also explains the reasoning behind the creation of a national broadcasting entity in the earliest days of radio. Today the Canadian Broadcasting Corporation is a major part of our mixed broadcasting system. It operates French and English TV and radio networks and provides programming to meet the demands of multiculturalism and of those Canadians who live in the North or in rural areas and who account for about twenty-seven per cent of our population.

In Canada, radio frequencies are considered public property and their use is regulated accordingly. Our cultural concerns have led us to declare in our Broadcasting Act of 1968 that "the Canadian broadcasting system should be effectively owned and controlled by Canadians so as to safeguard, enrich and strengthen the cultural, political, social and economic fabric of Canada." Although the U.S. Communications Act of 1934 requires majority American ownership of the airwaves, the Act itself does not impose similar requirements upon U.S. broadcasters. From our vantage point, these obligations are essential and they play a major role in our thinking and our actions in the border advertising situation. Our Broadcasting Act also empowers the CRTC to regulate the character and amount of advertising.

The quality and appeal of American programming pose a number of difficulties for us. These difficulties are partly the result of the proximity of our two countries and the accessibility of U.S. programs. Our differences in population

have a considerable impact on the availability of funds for program production.

Thus it is more difficult for us to produce programs in great quantity that people will watch and also programs that will be good enough to be sold to other countries, particularly the United States. Although it is difficult, it is not impossible as demonstrated by the presence in Toronto of the third largest production studios in North America. As well, the CBC produces nearly eighteen thousand hours of original programming each year.

Yet we realize that television programming is a major influence, if not the main one, in the make-up of one's culture. In Canada, we felt that it was desirable to secure enough funds for Canada's broadcasting system to make a substantial contribution to our culture.

Though funding is important, it is not the only element in the building of a strong television system and in the production of programs that people will watch. As proof, we just have to look at television in French Canada to see how strong it is in its milieu, how it has succeeded in producing programs that French Canadians watch, that reflect their own realities and how it has served as a support of culture in French Canada and in the development of that society. All that despite a relatively small market.

In English Canada, it is more difficult to achieve the same success, probably for linguistic reasons. We need all the money from advertising there is and more. Thus we spend more than half a billion every year to pay for public broadcasting, a large amount for our small population.

Both the CKTC and I are concerned about the overwhelming impact U.S. broadcasting has on Canadian culture. Exposure to essentially American

experiences and values has its effect on Canadian society. A survey of thirteen-year old students in British Columbia shows what I mean. When asked by their teacher to name famous Canadians, they listed Jimmy Carter, Daniel Boone, Evel Knievel and Gerald Ford. Examples like this make us aware just how fragile our culture is. I am not suggesting that we block American programming from entering this country. To the contrary, Canadian people enjoy American television and it should continue to be available to them.

The Canadian government and the CRTC have taken steps to respond to this cultural challenge. Relations between our two countries have been affected. The major focus of these efforts was the CRTC's issuance of Canadian content regulations applicable to all broadcasters. For its part, the government continued its support for the CBC, including the commercial-free radio network, and we encouraged the Corporation's expansion. Our objective in both cases was to raise the quality and increase the quantity of Canadian programming. But the practice of American border broadcasters to seek increased advertising revenues from neighboring Canadian markets began to defeat our policies. By 1974, we estimated that twenty million dollars, or nearly ten per cent of the total Canadian television revenues, were being diverted to U.S. border stations. This flow was holding back the development of the Canadian broadcasting system, particularly the evolution of independent stations in Toronto and Vancouver. We have been -- and still are -- concerned about the implications of this flow.

As Americans were unwilling to curtail these activities, the Canadian government was obliged to act to prevent the siphoning off of what to us represented huge sums of money. In relative American terms, ten per cent of television revenues would today exceed five hundred million dollars or more than the combined profits of the three commercial U.S. networks. Canada could not

afford a loss of this relative magnitude. In July 1976, we amended our income tax legislation to encourage Canadian advertisers to use Canadian stations. The amendment disallowed, as a deduction against income, the costs incurred for advertising placed on a foreign station but directed primarily to Canadian audiences. In no way did it affect the operation of American broadcasters or their ability to serve the American public within their licensed areas.

The reaction of the U.S. border stations and certain respected American Senators and Congressmen to the Canadian tax changes, while understandable from a political viewpoint (and I am a politician too), failed to show an understanding of these underlying factors. The matter took such proportions in the United States that the President was requested to raise the issue with the Canadian government. The impact of a maximum of twenty million dollars of Canadian advertising funds in a U.S. market of more than seven billion dollars is, I suggest, relatively small in contrast to its impact upon the Canadian industry. It affects the very survival of our private broadcasting sector and has direct implications on its ability to fulfill its obligations.

How would the United States react if its own broadcast markets were threatened? I understand that if San Diego broadcasters are typical, they want the FCC to enforce a section of the U.S. Communications Act which prohibits, without FCC approval, the delivery of programming to a foreign country -- which in the San Diego case is Mexico -- for broadcast back to the United States.

The CRTC introduced two other measures to limit advertising funds lost to American border stations, both of which affect cable subscribers. First, there is the policy of simultaneous program substitution. Broadcasters in both countries appear to appreciate the market protection afforded by cable measures

such as this.

The CRTC's second policy of commercial deletion is more contentious. This measure allows certain cable operators to delete foreign commercials from programming. The practice started in Toronto in 1973 and has been applied on a random basis in two other cities. In all cases, the CRTC has not authorized the replacement of an American commercial by a Canadian equivalent but only permitted its substitution by public service announcements. There has been no repackaging and resale of U.S. programs as a result. This policy was an attempt by the CRTC to stem the flow of Canadian advertising revenues to U.S. border stations and thereby limit the damaging intrusion into our markets.

The reaction to it was extreme: columnists called it thievery, piracy and even censorship. The border stations lobbied against it. House subcommittee hearings were held. Henry Kissinger was brought into the fray. Legal suits were launched in Canadian courts. Buffalo stations held a press conference in Toronto to publicize their threat to jam their own signals. What seems to be overlooked is that the border stations actively encouraged Canadian advertisers, despite statements by the CRTC and Parliament's Standing Committee on Broadcasting. The legality of the CRTC's position, however, was recently upheld by the Supreme Court of Canada.

But the problem had to be solved if we were to maintain our friendly relations with Americans. This is why the Canadian government called a moratorium on commercial deletion. From our point of view, this major compromise demonstrated our willingness to resolve the issue in an open and friendly atmosphere.

At present, a study of the financial effects of the income tax amendment is underway and, once it is completed, we will review our approach to the border advertising issue. But it should be clear from the outset that the government and the CRTC still feel the need to protect and encourage the development of our broadcasting system if it is to be responsive to the needs of the people of Canada. We must ensure that a counter-balance to the influx of foreign programming exists.

In my view, since the NAB and the CAB are major parties to the border advertising issue, they should play a lead role in its resolution.

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Before closing, I would like to return to the more general matter of advertising. Some television broadcasters and advertisers have taken steps forward in recognizing changing social realities. But criticism from many different quarters, particularly from the public, continues. Earlier this month, the CRTC released the results of a major survey of more than three thousand Canadians on their attitudes toward advertising on television. Most respondents say advertisements are an insult to their intelligence. Three-eighths of the population want no advertising at all and half were willing to pay for good commercial-free programs. The report says, "Canadians hold negative attitudes toward the form, content, and manner of presentation of television advertising. Many are annoyed by the frequency, repetitiveness and interruptive effects of commercials."

To my mind, it is always preferable that an industry regulate itself and to do that, the industry must understand the public's demands for better or no television advertising. Industry codes must be re-evaluated and expanded, if

need be. If this doesn't happen and if public interest groups become more insistent, then the government will have to impose a solution. This has happened in a number of provinces already. Quebec has proposed banning all advertising directed at children. Four provinces do not allow liquor advertising.

There is another reason why the industry should pay attention to these findings, and that reason is economic. Alternatives to commercial television do exist and more are coming. PBS in the United States is one example. Our provincial educational networks, such as TV Ontario based here in Toronto, provide another. Commercial-free CBC radio, subscriber-owned stations, pay TV, video cassettes, cable and satellites are all increasing the number of alternatives to commercial television. Eventually some of these alternatives will take a bigger share of viewing audiences.

The border advertising dispute and the social demands placed on television advertising will require as complete an understanding as possible by all parties. I think it is useful to examine these comparisons and differences between our two countries. This joint meeting of the CAB and NAB, I'm sure, will be an excellent forum for a frank exchange of ideas.

Such exchanges will be needed at the government level as well if we are to solve the problems that affect us both and the differences that divide us, particularly as alternative forms of programming and advanced delivery technologies play a greater role in the transborder flow of programming and advertising revenues.

CHECK AGAINST DELIVERY

COMMUNICATIONS AND THE DEAF

NOTES FOR AN ADDRESS
TO THE CANADIAN CULTURAL SOCIETY
OF THE DEAF

BY THE HONOURABLE JEANNE SAUVE
MINISTER OF COMMUNICATIONS

MONTREAL, QUEBEC
FRIDAY, JULY 21, 1978



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a pocket calculator, on a similar device connected to the telephone of the party being called. I am also pleased that these devices will be manufactured by a Canadian company employing deaf people. The Visual Ear is expected to be available for purchase by the public early next year. We hope the initial price to the deaf in Canada will be in the order of \$300 to \$350. It is important to note that the Visual Ear contains other potential features which will also make it useful as a portable computer terminal. This versatility should help to increase production quantities and keep the basic purchase price below that of competing products being developed in the United States and Japan.

Another area where interesting developments are taking place is in television captioning for the deaf and hearing-impaired. Last summer the Department of Communications published a technical proposal in the Canada Gazette in order to clear the way for 'closed captioning' of program-related material; this would include television programming specifically intended for the hearing-handicapped to be provided in a space known as 'Line 21' on the television screen. We have now finalized our analysis of the comments received on the proposal and will shortly grant technical approval under the Radio Act for this service.

Basically, there are two approaches to television for the hearing-handicapped. The first is the use of hand signals or sign language, which are shown in a corner of the television screen. The main advantage of this approach is that the hearing-handicapped can receive and understand live television programming whereas captioning must be added to a program after it is produced. The main disadvantage of this option is that all viewers see these hand signals, and those with normal hearing may find the signals distracting. Furthermore, many deaf and hearing-impaired do not understand sign language, so this approach is of no value to them.

As you know, even for those who do understand sign language, these signs are not the same across the country.

The other major approach is the use of captioning, which is similar to sub-titles for foreign language films. Captioning can be 'open' - meaning all viewers receive it on their T.V. sets, or 'closed' - meaning that only those viewers whose televisions are specially equipped with a decoder can see the captions.

The Public Broadcasting System in the United States employs largely open captioning. The PBS programming is aimed at a limited audience, and the amount of captioning provided is also limited. None of the three major commercial networks in the U.S. provide any captioning, open or closed; however, a number of the individual stations affiliated with these networks are involved in some captioning activities. In Canada, the Ontario Educational Communications Authority, or TV Ontario, has been experimenting for the past two or three years with open captioning. Very recently, they have begun experimental work with closed captioning. In addition, a few cable television systems in Canada are providing limited captioning of programs. Some of these systems are Metro Cable in Toronto, Grand River Cable in Kitchener/Waterloo and Skyline Cablevision in Ottawa.

While closed captioning appears to have much greater potential than either sign language or open captioning, there are a number of impediments in the way of implementing this approach. Problem areas include the following:

- a) As yet, there is no low-cost decoder available anywhere, although such decoders are expected to be available for as little as \$50 to \$200 within the next few years.

- b) The major cost of closed captioning will not be in the decoders, but in the captioning itself. For example, a program of one hour's duration can require as much as ten hours for preparation of the captioning.
- c) There is some question regarding the technical efficiency of the existing captioning systems. A more efficient use of the 'Line 21' portion of the TV signal, used for carrying coded information, may be feasible. This would enable sharing of the line among several services, including captioning for the deaf and hearing-impaired. The current captioning systems in use occupy the full information carrying capacity of 'Line 21' and would preclude the use of all other potential services in this space.
- d) As you know, the percentage of the deaf and hearing-impaired that is profoundly deaf, is actually quite small. Many hearing-impaired persons need only an inexpensive acoustic aid like an earphone connected to their T.V. sets, and not a decoder. Such an earphone system has been developed in West Germany and is currently being introduced in the United States.

In view of these difficulties, I think it is fair to conclude that there is no single solution to the problem of providing suitable television programming for the hearing-handicapped. I am sure you would agree, for example, that the needs of the profoundly deaf are quite different from those of the hard of hearing. In the final analysis, it may well be that a variety of approaches will have to be utilized involving sign language, open captioning and closed captioning.

I would like to emphasize that the prime responsibility for implementing these measures rests with the broadcasters who are licensed by the Canadian Radio-television and Telecommunications Commission, or CRTC, to provide service to the public. As Minister of Communications I have no statutory authority to compel broadcasters to provide such programming. In fact, my jurisdiction is limited to permitting, in technical terms under the Radio Act, the sorts of broadcasting systems which would be appropriate for such purposes. An example of this would be the 'Line 21' initiative I mentioned earlier.

However, let me assure you of my personal conviction that progress must be made in this area. Social justice demands that all Canadians should be able to benefit from basic communications. I will do my utmost to encourage the provision of these services including broadcast programming to meet the special needs of groups such as the hearing-handicapped.

In order to assist in this process, I would suggest that organizations representing the hearing-impaired consider making their concerns regarding the need for captioned programming, known directly to the various television networks and cable TV operators who are responsible for delivering these services. For example, organizations such as yours might wish to intervene at future CRTC public hearings held to consider the renewal of the broadcasting licences of these undertakings. A major hearing of this nature will be held in Ottawa in October of this year in relation to renewal of the various CBC network licences.

In closing, I would also like to point out that there still exists a requirement to define the specific communications needs of the various categories of hearing-handicapped Canadians. This is necessary before we can make a precise identification of possible solutions. This is an area in which the Federal Government can provide assistance through the sponsoring of research aimed at

further defining related problems and recommending remedial action. As I have already noted, we have made a modest beginning through funding of the St. Paul University study. We hope to continue pursuing this avenue of research in future, in consultation with the major organizations representing communications handicapped Canadians. In fact, the Department of Communications was represented last week at sessions of the Canadian Congress of the Deaf at Queen's University in Kingston and discussions took place at that time regarding possible future research activities.

Moreover, we do have an interest in supporting the development of new technology which can contribute to improved communications services for the handicapped, as in the case of the Visual Ear. Let me assure you that we hope to do more of this development in future.

I share your concern that basic communications services should be made more accessible to the handicapped. Within the limitations of my resources and my mandate, I am fully prepared to co-operate with organizations representing handicapped Canadians in order to pursue this vital goal.

Thank you once again for this opportunity to speak with you on communications matters. I wish you success in the remaining two days of your convention and I sincerely hope that our combined efforts in the future will permit a more active role to be played by the deaf in all areas of Canadian society.

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GENERAL RADIO SERVICE
- current perspectives.



NOTES FOR A SPEECH BY
CRAWFORD DOUGLAS,
PARLIAMENTARY SECRETARY
TO THE MINISTER OF COMMUNICATIONS.

GENERAL RADIO SERVICE SYMPOSIUM.

OTTAWA, SEPTEMBER 23, 1978



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September 22, 1978

Mr. Chairman, guests of the Department of Communications, members of the panels and delegates:

On behalf of the Minister of Communications, Madame Sauvé, I welcome you to this national symposium on the General Radio Service. This meeting comes just a little less than a year after the conclusion of last fall's series of eight regional "think-ins" on GRS. It gives the department an opportunity to report to you on what has been accomplished since those meetings, and again seek your advice as it refines both new and possible future plans and policies.

My predecessor as Parliamentary Secretary to the Minister - Ross Milne - and I both attended the regional symposia. We were impressed by the sincere commitment to the cause of better personal radio in Canada displayed by the people we met, from Vancouver to the Maritimes.

We, and all DOC staff, came to those meetings to listen. The GRS community responded with dozens of resolutions and suggestions, which have been carefully studied, compared and, as I think you'll agree, very much taken into account in the action plans we're detailing today.

The department has come up with responses we feel are appropriate to the overall message DOC received from the regional symposia: That serious GRSers demand up-to-date and realistic regulations, more information support for both the general public and the novice CBer, more enforcement, action in the area of interference-to-home-entertainment equipment and at least a look at the

possibility of some form of user competence testing -- and how this might be administered in a time of severe government restraint.

I'm going to be saying more about these subjects in a few minutes.

But first, let's look at the bigger picture, which has become much clearer during the past year: I suppose the most important factor governing the management of the GRS band in Canada is that it is now absolutely clear that CB is here to stay.

Far from being --- as some predicted --- a fad, it has come through its admittedly painful and at times chaotic infancy and is now showing a new maturity -- in terms of more disciplined operation, the broader cross-section of society to whom it appeals and the reasons people have for using and getting into CB.

The period of skyrocketing increases in monthly figures for "new licences" issued has abated. It appears to have peaked in April, 1977, when about 53,000 brand new licences were granted, and has now levelled off to a monthly average of about 20,000. We think this growth will be maintained for the foreseeable future and are expecting 1.5 million licensed units in service by 1983. The current licensed population is about 840,000.

Canadians now have between \$250 and \$300 million dollars invested in GRS equipment and associated hardware. That investment appears to be going to roughly double in five years.

Our own day-to-day observations, backed up by the findings of the user survey conducted for us this year by an independent firm of management consultants, indicate GRS appeals to Canadians from all walks of life; is increasingly attractive to people in higher income brackets and is used, in the main, not as just the plaything of a noisy minority which has been given too much publicity, but for many useful purposes.

Our survey results, of which you have a copy, indicate the most commonly given reason for owning GRS equipment by people living in urban areas, is to obtain information on road or travelling conditions, or to simply "just listen."

One positive thing to be said about the hit record "Convoy" and all the publicity given the "yahoo" minority is that they focused attention on the real potential of CB, created the mass competitive market that enabled good sets to be had by all for well under \$100 and awoke millions of North Americans to what personal radio communications could do for them in an increasingly urbanized, sophisticated and, above-all, on-the-move society.

The GRS explosion, and these user-survey findings, have to be put into the broader perspective of a revolution in personal communications -- the same revolution that is about to enable home TV sets to be turned into computer terminals for less than the cost of the TV itself, and holds the promise of the cordless telephone.

The transistor and the integrated circuit have brought us to the brink of the post-industrial, or "information society," a society in which the dizzying pace of technological development and the converging lines that formerly defined and separated communications and computing technologies will bring increasing importance to the electronics and communications sectors of our economic and social life...

In summary, then: GRS is here to stay. It's maturing. and It's undoubtedly going to grow and evolve into a much more sophisticated thing -- probably in eventual integration with telephone-type communication and computer power. These trends will pose many complex, inter-related regulatory, social and other implications for us, the managers of the spectrum and framers of national telecommunications policies, to deal with. The complexities involved will demand closer and closer consultation with users.

So I want to assure you that the Department of Communications is committed to a continuation of creative dialogue and joint efforts to improve GRS with the people who use it. This approach is not only desirable and necessary in a democratic nation -- it's the only practical approach for DOC to follow in this time of severe, and painful, government spending restraints. Citizens, in general, have to be willing to assume more responsibilities. What does this mean for you?

As we made plain during last year's regional meetings, the sheer numbers involved in, for example, complaints about interference, require that we enlist more and more user co-operation. The department is about to publish a new

booklet, --- and you have been given a draft copy --- stressing self-help resolution and prevention of such problems; continuing to put pressure on manufacturers of home entertainment electronics to build products that can coexist with radio signals, and treating reported offences involving linear amplifiers as priority items for enforcement action...

The pace of selective DOC enforcement and associated prosecution activity has picked up considerably since last year's meetings -- with emphasis on attacking more flagrant offences of unlicensed operation, use of linear amplifiers and obscene language.

By publicizing the results of many of these cases, we believe we have achieved the objective of acquainting potential offenders with the increased likelihood of their being apprehended and fined by the courts.

The department will continue to make use --- albeit with both sadness and reluctance --- of the prosecution option where reason and persuasion fail. We are reviewing methods of streamlining our internal procedures for initiating court action and looking at measures to make it easier for district office staff to deal summarily with trouble-makers.

It has now been made illegal to sell a linear amplifier capable of GRS use without obtaining a statutory declaration from the purchaser. Further measures to: prohibit even possession of such devices by GRS licensees who are not also radio amateurs, require that licensees permit inspection of their stations at all reasonable times and bring the regulations concerning prohibited

uses of GRS up-to-date are about to be implemented.

You have before you for discussion a draft operator competence test. This has been prepared in response to one of the main themes sounded at last year's symposia, the concern of both you and DOC that all who use GRS have a greater knowledge of the regulations and good operating practices. Whether this becomes a sort of self-test, is made a condition of admittance to clubs, or is used in some other way, is a subject the department wants to discuss with you this weekend.

The draft before you represents only an indication of the scope and type of questions we feel such a test might contain. Without going into all the pros and cons of whether there should really be a comprehensive examination for everyone; how we would treat those already licensed, the costs involved if DOC were to be exclusively responsible for this and so on, suffice it to say that a lot of serious thought on this subject is still needed before decisions are taken.

Also included in your delegate kit was a set of possible new "plain language" regulations. This document is for discussion purposes only. There are many complicated legal barriers to the introduction of such a set of regulations to complement the Radio Act and General Radio Regulations. These barriers would have to be overcome before plain language rules could become law. But let me say that the department is committed to at least the plain language "approach" -- to the greatest extent possible -- in simplifying both the existing regulations and the way we explain them in our publications.

Looking, then, at the user and public education fields, our major initiatives have included the preparation of a new GRS handbook, release of "THE ELECTRONIC HIGHWAY," our 13-and-a-half-minute color-film explaining GRS, and, of course, the new interference brochure.

We want your comments on the draft handbook, which contains some new consumer information we felt was warranted, new, practical hints on installation and operation and a plain language summary of the major regulations and duties of operators which, if respected by all, would eliminate the majority of complaints about bad operation.

As far as the next stage in the technical evolution of GRS is concerned, I can report that no decisions have been taken --- by us or by the FCC -- on whether the anticipated new class of CB and GRS will be accommodated at 900 Megahertz. The planning assumption continues to be that at some point growth of personal radio and demand for a higher-quality service will clearly require new features and frequencies. Studies are continuing.

For the current 27 MHz band, we are proposing tightened transceiver requirements that would reduce permissible levels of both receiver antenna-conducted spurious radiation and transmitter spurious emissions. The exact dates for further action on this are still open to discussion...

Finally, a brief word on Channel 9 is appropriate. I think almost everyone here is aware of the opposing arguments for leaving it as it is or

making it "emergency only". Opinion in the GRS community seems to have been almost equally divided. It is up to DOC to make a decision in the public interest.

We've surveyed a number of Canada's largest police forces, several of them represented here today. As you know, the police have been expressing an increased interest in taking advantage of Channel 9 to allow for reduced response times and direct citizen contact from highways and streets. Most police forces feel the channel would be much more useful if we did designate it "emergency only", and we have decided to adopt this designation.

On this matter, and on the whole range of subjects before us during this busy weekend, we now await your constructive comments.

The input from the regional symposia has been carefully assessed by the department. You have its response before you.

Let us now get down to the business of fine-tuning these policies, plans and proposals..

Thank you.

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NOTES FOR AN
ADDRESS BY
MINISTER OF COMMUNICATIONS
JEANNE SAUVÉ
AT THE OPENING OF
SPAR AEROSPACE LIMITED'S
SPAR TECHNOLOGY DIVISION FACILITIES
AT STE.-ANNE-DE-BELLEVUE

OCTOBER 2, 1978



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It's a pleasure to be here with you today. The official opening of Spar's facilities in Ste.-Anne-de-Bellevue comes at an important stage in the development of our space technology capabilities.

None of us here has to be reminded of Canada's 15 year success story in space. Nor do any of us have to be reminded of Spar's central role in this success story. As the third nation to have a satellite in orbit, Canada took part in the opening of the space age in 1962. From our Alouette and ISIS research satellites, the Anik series of telecommunications satellites, to the joint Hermes project with the U.S., has come an enviable reputation for reliability and performance. Our satellites have performed smoothly, in most cases far beyond their expected lifetimes. The present Spar team has been involved in every one of Canada's eight satellites.

This enviable reputation has been built in large part through a history of government and industry co-operation in the space sector. Each of Canada's satellites has been the product of such co-operative ventures. The government's policy of transferring satellite technology to industry has led to the establishment of a joint capability for the design, manufacture and construction of space applications systems and hardware.

This experience and knowledge will be useful in the future. In fact, I expect to be in a position to announce in a few days, a major program which will allow Canada to develop the capability to manufacture entire satellite systems in Canada.

The Canadian market for communications satellites is now the second largest in the world. This provides a domestic demand large enough to allow our industry to build a base for international sales. And international demand for satellites, ground stations and related expertise and software is expanding rapidly. With government support and the continued hard work of the Canadian aerospace and electronics industries, we should be able to capture our share of this growing international market.

It is difficult -- indeed impossible -- to talk of Canada's space efforts without including the contribution of Spar. This contribution will undoubtedly grow in the future. Spar's acquisition of the transponder, antenna and satellite earth station facilities formerly owned by RCA Ltd., and certain space-related facilities owned by Northern Telecom Ltd., has now concentrated much of Canada's space manufacturing capabilities in one company. This firm is ready to leap into the international commercial satellite field.

The facility we are opening today has been revamped for the manufacture of satellite earth stations and microwave radio relay stations as well as the transponders and antennas produced here in the past. The 158,000 square foot plant also consolidates assembly and test facilities, previously located in Montreal. New test installations, including the automatic antenna test range, have been built during the past year.

The Ste.-Anne-de-Bellevue facilities benefit the community in other ways as well. They are providing employment for 750 people, of whom half are technical staff and 180 are professionals. These include some 25 recently

graduated professionals who have been hired over the past two or three years, most of them recruited from the Montreal area.

In Canada overall, it is estimated that more than 600 jobs -- many of which will be of a high-technology nature -- will be created as a result of the Anik-C contracts awarded by Telesat Canada last spring.

If Spar has been central in Canada's domestic space effort, it has hardly been idle in the international scene. The firm is currently exporting advanced technology and hardware. An \$18 million project will supply an Intelsat Type A satellite earth station and a switching centre for Ghana. It is participating in a \$25 million project for supply and installation of a microwave transmission system in five West African countries and is doing other work for Nicaragua, India, Pakistan and Bangladesh.

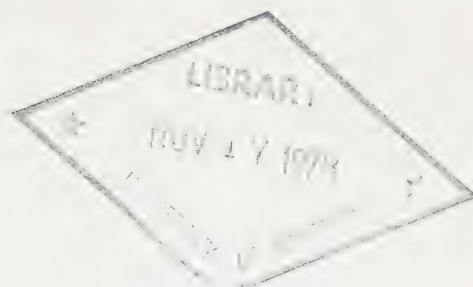
The firm, incidentally, is also completing 14 small satellite earth stations for use by Telesat Canada in the East Arctic.

It would be fair to say that Spar is the principal Canadian company engaged in the design, development, manufacture and assembly of spacecraft structures, subsystems and components. Spar and its predecessor firms have been involved in the manufacture of structures for all Canadian satellites and the reputation they have built up is no doubt assisting them in exporting space technology. The benefits of Spar's success ripple out to other companies which supply components, services and subsystems to Spar - companies in Toronto, Winnipeg and Saskatoon as well as Montreal.

One further but related point. I think many of us here today would like to thank the Task Force on the Electronics Industry, and its chairman, Larry Clarke, for their recent recommendations for the future of the industry in Canada. There are some who feel that we are losing our place as a high-technology nation -- at least this is a conventional wisdom conveyed by the media. But I do not believe this is so.

Recent announcements of programs to stimulate high-technology industries provide tangible evidence of the government's increasing recognition of the axiom that research, development and industrial incentives in technological industries are the very seeds of our future as a modern nation. And I assure you that one of my highest priorities relates to government efforts to provide a healthy and encouraging environment for our space and telecommunications industries.

As you may have noticed, I'm extremely optimistic about our future. Aggressive, competitive firms such as Spar provide one reason for this optimism.



COMMUNICATIONS SATELLITES: THE CANADIAN EXPERIENCE

NOTES FOR A SPEECH BY

JEANNE SAUVE

MINISTER OF COMMUNICATIONS

TO THE FOURTH INTERNATIONAL CONFERENCE ON DIGITAL
SATELLITE COMMUNICATIONS

MONTREAL

OCTOBER 23-25, 1978



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Ladies and gentlemen, good morning.

The space age has now come of age. It was 21 years ago when the first satellite was launched. Canada counts itself as one of the old timers. Our first satellite -- Alouette I -- was launched in 1962 giving us the distinction of being the third country in the world, after the Soviet Union and the United States, to design and build its own satellite.

Satellite launching

Ten years later we established another precedent when Telesat launched Anik I. Canada became the first country in the world to have a geostationary domestic satellite communications system. Our latest satellite, Hermes, a Canadian designed and built high-powered communications technology satellite, is the forerunner of direct broadcasting satellites. Canada now has eight successful scientific and communications satellites in orbit.

In few other areas of human endeavour has the pace of change and technological advance been as evident as in the world of satellite technology.

Satellites have already obliterated distance and terrain as an obstacle to communications. In the very near future, direct television broadcasting satellites will appear on the scene and will open up exciting new fields of endeavor such as tele-education, tele-medicine and new personal services such as electronic newspapers, electronic mail or electronic shopping.

In Canada, our research and experiments cover a broad range of disciplines and objectives, from the development of new hardware such as small, transportable earth terminals for use in remote areas, to experiments in using space technology in aid of the social, educational, and health aspects of community life, including small, isolated communities.

The market

The market potential in space systems over the next two decades is expected to be in the many billions of dollars. Competition for satellite system markets will be intense, particularly over the next few years. Because of the nature of the technology and the vast sums of money involved, in most countries, support from governments is likely to be necessary to provide financial backing and the required level of research and development. Increasingly, it will become necessary for governments and industry to co-operate in planning industrial policies and strategy.

Our approach in Canada, an approach rooted in our economic traditions, has been to support market forces, and to provide government assistance where necessary.

New jobs

To this end I have recently announced a \$20 million expansion of the David Florida Laboratory in Ottawa to provide Canadian industry with a complete and fully-equipped national centre for final assembly and testing of complete

communications satellites and space subsystems. This has been done to allow Canada to develop a prime contracting capability needed to create some 1,500 new jobs for our young manpower who have been trained in communication techniques. The program is expected to double the number of jobs in Canada's space industry over the next three years. In addition, we are putting forward proposals to strengthen research and development, in Canada, to provide industrial stimulation and job creation programs in high technology fields, and we have an active program of transferring to Canadian industry, the results of research and development carried out by the Department of Communications.

We are justifiably proud of our more than 40 companies which are engaged in manufacturing space systems in one way or another.

The future, it's been said, is digital.

Some years ago Canadian telephone companies recognized the advantages of digital transmission and began to use it in the 60s. Canada was one of the first countries in the world to do so. Telesat Canada, our domestic satellite carrier, is now moving rapidly into the digital world. In fact, one of the major uses of the new Anik-C series of Canadian domestic satellites, the first of which is to be launched in 1980, will be for digital voice communications traffic between 10 major Canadian cities.

The first time-division multiple access system in operation anywhere was provided by Telesat Canada to connect the trans-Atlantic cable terminal of Teleglobe Canada to its main markets in central Canada.

Canada, as we have seen, has remained in the forefront of digital technology. The benefits to be gained, in terms of lower cost, flexibility and spectrum conservation, make it well worth while. Vast improvements are being made in the quality of service to the public.

Major economic benefits

To summarize, the rapid developments in space technology are now bringing major social and economic benefits the world over -- benefits which are especially important in isolated regions. In the next 20 years the market potential for the space industry, in research and development, consulting and manufacturing will be many billions of dollars.

Digital techniques which had their origin in computer technology have brought major advances in many fields. The digital revolution has already become a by-word in terrestrial communications. The same thing is happening in satellite communications.

As I noted earlier, Canadian enterprise, both in government and in industry, is encouraging such advances in this country. Every scientific activity today must be constantly on the look-out for new ways, new approaches and lines of enquiry to improve efficiency and economy.

I am very proud that the Canadian Department of Communications has played a very active role in bringing this conference to Canada and in organizing your visit.

The three previous conferences on digital communications in London, Paris and Kyoto were, I am told, extremely successful. This year's conference, I hope, will exhibit a maturity and consolidation of digital communications via satellite.

On behalf of the Government of Canada it is a great pleasure to welcome you to Canada. I hope you will have time to visit Montreal, one of the most attractive cities in this country. As Minister of Communications I want to assure you that I will consider carefully the implications, for satellite systems, of what you will be discussing during the next few days.

I also want to extend my best wishes for a successful conference this year to the four sponsors: the International Telecommunications Satellite Organization; Teleglobe Canada; the Canadian Society for Electrical Engineering and the Canadian Region of the Institute of Electrical and Electronics Engineers. Thank you for the opportunity of addressing you this morning.

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Government
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A FIRST FOR CANADIAN TECHNOLOGY

NOTES FOR AN ADDRESS

BY

THE HONOURABLE JEANNE SAUVE

MINISTER OF COMMUNICATIONS

AT THE INAUGURATION OF THE FIBRE OPTIC FIELD TRIAL

IN YORKVILLE, TORONTO

TUESDAY, DECEMBER 12, 1978



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IT IS A GREAT PLEASURE FOR ME TO BE HERE TODAY ON THE OCCASION OF THE INITIATION OF A FIELD TRIAL WHICH FOR THE FIRST TIME IN NORTH AMERICA IS CONNECTING HOUSEHOLDS TO A TELEPHONE SYSTEM USING OPTICAL FIBRES. SINCE OPTICAL FIBRE TRUNKS ARE NOW IN USE ON AN EXPERIMENTAL BASIS, THIS HISTORICAL MOVE BY BELL CANADA PUTS IN PLACE THE LAST REMAINING LINK IN PROVIDING A TELEPHONE SYSTEM IN WHICH OPTICAL FIBRES CAN COMPLETELY REPLACE COPPER WIRES FOR THE CARRIAGE OF TELEPHONE CONVERSATIONS IN OUTSIDE PLANT.

WE CAN ALL TAKE PRIDE IN THE FACT THAT WE IN CANADA ARE PLAYING A LEADING ROLE IN THE DEVELOPMENT OF THIS IMPORTANT NEW TECHNOLOGY. BELL CANADA, BELL NORTHERN RESEARCH, AND NORTHERN TELECOM ARE TO BE CONGRATULATED FOR THEIR FORESIGHT. WE ARE ALL AWARE, I THINK, THAT WHILE WE IN CANADA HAVE PLAYED OUR OPENING CARDS WITH BOLDNESS AND INTELLIGENCE, THE OPTICAL FIBRE GAME IS ONLY JUST BEGINNING. IT WILL BE MANY YEARS BEFORE THE UBIQUITOUS COPPER WIRES HAVE BEEN REPLACED BY OPTICAL FIBRES EVEN FOR THE MAJORITY OF CANADIAN HOUSEHOLDS LET ALONE THE TOTALITY. DURING THAT TIME TECHNOLOGY WILL NOT STAND STILL. THERE WILL BE CONTINUING REDUCTIONS IN PRICE AND IMPROVEMENTS IN PERFORMANCE AS OUR UNDERSTANDING OF THESE FASCINATING HAIR THIN

STRANDS OF GLASS IMPROVES. WE NEED TO CONTINUE OPTICAL FIBRE RESEARCH AND DEVELOPMENT IN ORDER TO MAINTAIN OUR PRESENCE IN THIS IMPORTANT NEW TECHNOLOGY.

AS I THINK MANY OF YOU HERE TODAY ARE AWARE, I AM DETERMINED THAT WE IN THE GOVERNMENT MAINTAIN THE SPIRIT OF INDUSTRY/GOVERNMENT COOPERATION IN THIS AREA WHICH HAS ALREADY SO WELL BEGUN AND TO WHICH YOUR INVITATION TO ME TO BE HERE TODAY ATTESTS.

I DON'T HAVE TO TELL YOU THAT COOPERATION BETWEEN GOVERNMENT AND INDUSTRY IS NOT AUTOMATIC OR IN ANY SENSE EASILY ACHIEVED. THE PRIVATE SECTOR IS RIGHTLY JEALOUS OF ITS INDEPENDENCE AND LEERY OF ENTANGLEMENTS WITH GOVERNMENTS WHICH COULD HINDER ITS ABILITY TO REACT RAPIDLY TO CHANGING CONDITIONS. GOVERNMENT FOR ITS PART IS LEERY OF ANY ARRANGEMENT IN WHICH IT MIGHT APPEAR TO BE UNNECESSARILY INTERFERING WITH THE FREE PLAY OF MARKET FORCES OR CERTAINLY OF UNDULY FAVOURING ONE COMMERCIAL ENTERPRISE OVER ANOTHER, OR, IN THE CASE OF COMPANIES WHICH ARE FEDERALLY REGULATED, OF EVEN APPEARING TO BE UNDULY CLOSE TO A COMPANY WHICH IT MUST REGULATE IN THE PUBLIC INTEREST. COMPOUNDING THESE DIFFICULTIES ARE THE HUMAN ONES, - THE PROBLEMS WHICH ARISE WHEN TWO OR MORE LARGE BUREAUCRACIES, EACH WITH ITS OWN PERSPECTIVES AND ITS OWN PRIDE IN ITS CAPABILITIES AND ABILITY TO GET THINGS DONE, MUST MEET AND AGREE ON A COMMON COURSE OF ACTION. YET DESPITE ALL THESE FORMIDABLE DIFFICULTIES, IT IS MORE IMPORTANT THAN EVER THAT GOVERNMENT AND INDUSTRY COOPERATE SO AS TO ENSURE THAT OUR BALANCE OF PAYMENTS IS A HEALTHY ONE AND THAT AS MANY DESIRABLE JOBS AS POSSIBLE REMAIN IN

CANADA IN CIRCUMSTANCES THAT PERMIT THE CONSUMER TO OBTAIN THE BEST POSSIBLE VALUE FOR HIS DOLLAR.

THERE ARE ENCOURAGING SIGNS THAT BOTH YOU AND WE ARE TAKING SOME SUCCESSFUL STEPS DOWN THIS DIFFICULT ROAD. LET ME LIST A FEW:

I AM ENCOURAGED THAT BELL HAS SEEN FIT, AS A MAJOR CONTRIBUTOR TO THE CANADIAN TELECOMMUNICATIONS CARRIERS ASSOCIATION, TO SUPPORT THE GOVERNMENT/INDUSTRY JOINTLY FUNDED RURAL FIBRE OPTICS FIELD TRIAL WHICH IS TO TAKE PLACE IN ELIE, MANITOBA. THIS FIELD TRIAL NICELY COMPLEMENTS YOUR OWN ACTIVITY HERE IN YORKVILLE, IN THAT IT PROVIDES SERVICE IN A RURAL RATHER THAN AN URBAN ENVIRONMENT, AND IN THAT IT COMBINES BOTH TELEPHONE AND CABLE TELEVISION SIGNAL DELIVERY ON A SINGLE FIBRE. I KNOW THAT YOUR SUPPORT FOR THIS PROGRAM, WHICH DOES NOT TAKE PLACE IN BELL CANADA TERRITORY, REQUIRED SOME CONSIDERABLE SOUL SEARCHING ON YOUR PART. IT IS AN EXAMPLE I THINK OF BOLD AND ENLIGHTENED DECISION MAKING WHICH WILL REDOUND TO THE BENEFIT OF CANADIANS GENERALLY, EVEN TO THOSE IN URBAN AREAS WHOSE LEVEL OF CROSS SUBSIDY TO RURAL SUBSCRIBERS MAY, AS A RESULT OF THE RURAL TRIALS, BE SUBSEQUENTLY LOWERED.

WE LOOK FORWARD TO PARTICIPATING DIRECTLY WITH YOU IN YOUR FIELD TRIALS HERE IN YORKVILLE, WHEN THE VIDEOTEX SYSTEM --

NOW CALLED TELIDON -- DEVELOPED AT MY
DEPARTMENT'S COMMUNICATIONS RESEARCH
CENTRE GOES ON DEMONSTRATION IN EARLY
1979.

PERHAPS THE MOST DIFFICULT AND THEREFORE
THE MOST PRAISEWORTHY EXAMPLE OF COOPERATION
HAS BEEN THAT WHICH EXISTS BETWEEN OUR TWO
ORGANIZATIONS CONCERNING THE INTRODUCTION
OF CANADIAN VIDEOTEX. BOTH BELL NORTHERN
RESEARCH AND THE COMMUNICATIONS RESEARCH
CENTRE HAVE A PROUD HISTORY OF ACCOMPLISH-
MENT IN THE FIELD OF TELECOMMUNICATIONS.
AS IT HAPPENED, BOTH HAD DEVELOPED IDEAS FOR
A CANADIAN VIDEOTEX IN THE INTERESTS OF
ENSURING THE BEST POSSIBLE SYSTEM FOR
CANADIANS. WE LOOK FORWARD TO COOPERATING
WITH YOU IN YOUR VIDEOTEX TRIALS EARLY IN
THE NEW YEAR.

I SHOULD LIKE TO MAKE ONE FINAL COMMENT
ON A SUBJECT WHICH PERHAPS ON OCCASION
SEEMS A DIFFICULT ONE FOR YOU. IT ARISES
IN PART DIRECTLY FROM THE VERY SUCCESS OF
THE BELL NORTHERN RESEARCH LABORATORIES
WHICH IN TURN DERIVES FROM THE VERY CLOSE
INTEGRATION BETWEEN THE MANUFACTURER,
NORTHERN TELECOM, AND THE CARRIER, BELL
CANADA. BOTH COMPANIES HAVE BENEFITED FROM
THIS RELATIONSHIP, BUT THE MAJOR BENEFICIARY
HAS BEEN THE CANADIAN TELEPHONE SUBSCRIBER.

I WANT TO TAKE THIS OPPORTUNITY TO SUGGEST TO YOU THAT THE POSITIVE ADVANTAGES OF THIS RELATIONSHIP CAN BE EXTENDED EVEN FURTHER. I REFER TO THE FACT THAT THERE ARE A NUMBER OF SMALL BUT HEALTHY AND DYNAMIC ELECTRONICS COMPANIES WHICH ARE COMPETING FOR BUSINESS BOTH HERE AND ABROAD. MANY OF THESE ARE DIRECT SPIN OFFS FROM BELL NORTHERN RESEARCH, AND SOME OF THEM ARE NOW COMPETITIVE WITH BNR AND NORTHERN TELECOM.

BY YOUR EXAMPLE YOU HAVE GIVEN, AND I HOPE YOU WILL CONTINUE TO GIVE, ENCOURAGEMENT TO YOUR SMALLER CANADIAN BRETHREN TO SUPPLY PRODUCTS EVEN TO YOU WHERE IT IS CLEAR THAT FOR SOME REASON OR OTHER, THEY CAN COMPETE ON FAVOURABLE TERMS. I FIRMLY BELIEVE THAT SUCH A POSTURE IS NOT ONLY IN THE BETTER INTEREST OF THE CANADIAN PEOPLE AND OF YOUR SUBSCRIBERS, BUT ALSO ULTIMATELY IN THE BETTER INTERESTS OF YOUR SHAREHOLDERS.

I THINK I HAVE PROBABLY ALREADY SAID MORE THAN ENOUGH ON A HAPPY OCCASION SUCH AS THIS. LET ME ONLY REITERATE MY THANKS AND APPRECIATION FOR YOUR INVITATION TO ME TO BE HERE TODAY ON THIS HISTORIC OCCASION.

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